THE LIVING AGE

CONTENTS

for July, 1935

Articles

THE WORLD ON THE WING
I. EUROPE'S BANKRUPT AIRWAYS ..... *A Special Correspondent* 386
II. YANKEE AIR IMPERIALISM ..... *Juan del Camino* 389
III. FLYING TO SOUTH AMERICA ..... *Walter Mittelholzer* 391
IV. GERMANY FLIES IN AFRICA ..... *Major Walter Wülfing* 394
V. AIR STRATEGY IN ASIA ..... *Otto Corbach* 397
VI. THE 'MAXIM GORKI'S' LAST MAY DAY ..... *Boris Efimov* 399
TWO CHALLENGES TO GOLD
I. THE TWILIGHT OF GOLD ..... *Ferdinand Fried* 401
II. SOVIET MONEY ..... *Roger Auboin* 410
GENTLEMEN, THE EMPIRE
I. A TOAST ..... *Rudyard Kipling* 429
II. WHAT IS AN ENGLISHMAN? ..... *Harold Nicolson* 432
ASIA—BODY AND SOUL
I. EXPLOITATION IN INDIA ..... *Joan Beauchamp* 436
II. THE SOUL OF ASIA ..... *Professor Bernhard Heller* 441

Departments

THE WORLD OVER 377
PERSONS AND PERSONAGES
ALEJANDRO LERROUX ..... *A Madrid Correspondent* 417
THREE KINGS ..... *General Jan Christiaan Smuts* 419
LAWRENCE AS A FRIEND ..... *L. B. Namier* 421
KONRAD HENLEIN ..... *A Prague Correspondent* 426
BOOKS ABROAD 445
LETTERS AND THE ARTS 457
THE SCIENCES AND SOCIETY ..... *Harold Ward* 461
AS OTHERS SEE US 465

THE LIVING AGE. Published monthly. Publication office, 10 FERRY STREET, CONCORD, N. H. Editorial and General offices, 253 Broadway, New York City. 50c a copy. $6.00 a year. Canada, $6.50. Foreign, $7.00. Entered as second-class matter at the Post Office at Concord, N. H., under the Act of Congress, March 3, 1879. Copyright, 1935, by The Living Age Corporation, New York, New York.

THE LIVING AGE was established by E. Littell, in Boston, Massachusetts, May, 1844. It was first known as LITTELL'S LIVING AGE, succeeding *Littell's Museum of Foreign Literature*, which had been previously published in Philadelphia for more than twenty years. In a prepublication announcement of LITTELL'S LIVING AGE, in 1844, Mr. Littell said: 'The steamship has brought Europe, Asia, and Africa into our neighborhood; and will greatly multiply our connections, as Merchants, Travelers, and Politicians, with all parts of the world: *so that much more than ever, it now becomes every intelligent American to be informed of the condition and changes of foreign countries.*'

Subscribers are requested to send notices of changes of address three weeks before they are to take effect. Failure to send such notices will result in the incorrect forwarding of the next copy and delay in its receipt. Old and new addresses must both be given.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

THE GUIDE POST

THIS seems to be symposium month when all our articles are presented in groups. First come no less than half a dozen pieces on aviation in four continents —Europe, Africa, South America, and Asia. A special correspondent of the *Manchester Guardian* leads off with a summary of the League of Nations' recent investigation of commercial flying in Europe that showed every country operating air lines at a deficit.

THE United States enters the international struggle for control of the world's airways in Latin America, where Pan-American Airways—headed, incidentally, by Mr. Trippe, the son-in-law of one Morgan partner, and aided by another, Colonel Lindbergh—are trying to establish a monopoly. But, in spite of these glamorous names, the prospect that Yankee capital will control the future air communications of Latin America, just as British capital controls the rail communications of Argentina, does not seem to be popular with the more patriotic natives, of whom Sr. Juan del Camino appears to be one.

WHILE German air lines compete with British lines in Africa, the German Lufthansa and the Graf Zeppelin are competing with French lines for the air-mail service over the South Atlantic. Walter Mittelholzer, the Lindbergh of Switzerland and a good friend of Germany, tells about a trip he recently made across the Atlantic on the Graf and down the South American coast on German airplanes. He also compares the services that the French and German lines offer.

WHILE General Göring attempts to extend Germany's political influence into the Balkans, German fliers and German aviation companies are extending their country's economic influence into Africa. Already a German air line in South Africa is taking a lot of business away from the British, and plans are under way to establish a regular service between Africa and Europe that will follow a shorter route than the British-owned Imperial Airways.

IN ASIA, too, American air lines, especially the Pan-American, have shown signs of activity. Otto Corbach analyzes the military and commercial strategy that is being brought to bear and indicates that the United States is acquiring a far more important stake in Asia than most of our citizens realize.

HAVING spanned the world, our air symposium ends in Russia with a description of one of the last flights that the ill-fated *Maxim Gorki*, the largest heavier-than-air machine in the world, ever made. Undismayed by this tragedy, the Soviet Union is continuing to develop airways as energetically as the most ardent capitalists and seems to understand as clearly as any nation that the future probably belongs to the nation that controls the air.

OUR two articles on gold bring us down to earth,—even underground,—to the vaults of the Bank of France and the gold mines of South Africa and Siberia. Ferdinand Fried has expounded Nazi economics for many years, even before Hitler came into power, and back in 1932 we translated a review of one of his books, *Das Ende des Kapitalismus*. This month he attacks the gold standard in general and the gold bloc in particular, pointing out the superiority of the English and German systems of controlled currency.

NOW that such reactionary journalists as Pertinax of the *Écho de Paris* are endorsing the Franco-Soviet alliance, French

(*Continued on page 470*)

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

THE LIVING AGE

Founded by E. Littell

In 1844

July, 1935 *Volume 348, Number 4426*

The World Over

THE APPOINTMENT of Sir Samuel Hoare as British Foreign Secretary and the relegation of Anthony Eden to the new ministry for League of Nations Affairs not only mark a victory for the pro-German wing of the British Cabinet but indicate that Asia, not Europe, is the chief concern of the British Foreign Office at the moment. For the new Foreign Secretary is something more than a mere 'neutral' on European problems. His experience in the MacDonald Cabinet as Minister for India, especially his work on Indian constitutional reform, has given him unrivaled knowledge of the brightest jewel in the British crown. The demotion of Sir John Simon to the Home Office and Stanley Baldwin's urgent plea for an Anglo-American alliance indicate that the project announced last November by General Smuts, whereby the United States shall commit itself to the support of British interests in Asia, going to war with either Japan or the Soviet Union in case of need, has the blessing of the new Government.

Although the failure of Anthony Eden to step into Sir John Simon's shoes at the Foreign Office constitutes only a minor victory for Germany, it has a certain importance. According to the *Week*, which is exceptionally well posted on British affairs, a highly paid member of the British Intelligence Service has been circulating the rumor that the notoriously teetotaling Mr. Eden was drunk during his entire stay in Moscow.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Shortly after this canard was making the rounds, the *Financial News* of London printed an article on 'Finance of Germany's Rearmament,' one paragraph of which was headed 'Five Million Pounds from Britain.' Here are some of the statements it contained:—

> A large part of the increase of German imports from Britain is accounted for by the extra imports of such essential war materials as iron ore, copper ore, mineral oils, etc. . . . In every single instance, net imports into Germany of these outstanding war materials have shown a more or less spectacular rise in 1934. And, on balance, the first three months of this year show a continuance of that tendency.

At the same time, British airplane stocks have been booming because the House of Commons has voted to treble the air force in reply to Germany's rearmament.

THE SPECTACLE of the *Normandie* arriving in New York to assure the world, in general, and America, in particular, of the power of France, while at the same time the Chamber of Deputies could not form a government and a record flow of gold was pouring out of Paris, provided one of the most sardonic contrasts of our time. And close inspection of the *Normandie* reveals that it is no more impressive than the nation that created it. To begin with, a wage cut followed by a strike almost prevented the trip at the very start, but, even if the crew worked for nothing, the enterprise would be a risky one. The *Normandie* cost five times as much to build as the *Ile de France*, it generates three times as much horsepower and costs over twice as much to operate. It would take almost 70,000 passengers to cover the expenses of 22 trips, and the French Line does not believe it can get more than 50,000 passengers on the 52 voyages it plans each year. And this figure is equivalent to all the passengers that the four other ships of the French Line carry. Furthermore, certain Americans recall that the same nation that has been able to build the largest ship in the world and to operate it at a colossal deficit refuses to pay its war debt. For that reason they travel on ships flying the American flag, which now do 10 per cent more business than the French boats. As 90 per cent of the passengers on the French Line are Americans, this matter of the war debt has proved something of a boomerang.

ALEXANDER WERTH, author of *France in Ferment* and Paris correspondent of the *New Statesman and Nation* and the *Manchester Guardian*, reports that Colonel de la Rocque's organization of war veterans, the Croix de Feu, has been growing far more rapidly than any other Fascist group in France and now dominates the field. The Royalists of the *Action Française*, who led the rioting on February 6 of last year,

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

have been embarrassed by the refusal of the Count de Paris, their candidate for king, to accept their endorsement, and the two Fascist leagues, Coty's *Solidarité Française* and Henri de Kérillis's *Jeunesses Patriotes*, are largely composed of undisciplined youths of the lower middle class. The Croix de Feu, on the other hand, although it took no active part in last year's riots, has stolen the show because of the discipline, maturity, and wealth of its members. It has also resorted to gangster tactics. On the night of April 15, two of its members were arrested for breaking into Socialist headquarters, and the next week three more were arrested and later released on bail. They are not irresponsible youngsters but men between forty and forty-five, one of whom is very rich, another very fashionable, and a third the head of a local section of the Croix de Feu. The contradictory stories issued by the prisoners and the Croix de Feu authorities have made their guilt beyond question, and the conservative press has tried to pass the episode off as a *pseudo-cambriolage*, a *mauvaise plaisanterie*, a *visite nocturne*, and a *perquisition extra-légal*. But the Left-wing parties have seized upon it as indicating that the direct-action element in the Croix de Feu is in the ascendant.

TWO FRENCH FINANCIAL experts, poles apart in their politics, have questioned the desirability of devaluating the franc. Joseph Caillaux, veteran Radical Socialist who barely escaped execution as a pro-German during the War, has declared:—

> Devaluation is nothing else than a hypocritical deflation. . . . This must not be interpreted to mean that we must not seek, at the cost of sacrifices of various nature, to set our currency in line with those of other great countries, which have altered the value of their currencies.

The ultra-orthodox Charles Rist, who advises the Bank of France, also expresses doubts about devaluation:—

> It is clear that the countries that are attached to the gold standard must choose between two alternatives. Either they must devalue and place themselves on a level with sterling: in that case I personally believe that the result will be a rise in certain prices in the gold-bloc countries because they would buy certain raw materials from the United States at higher prices. On the other hand, they would have no security since they would know nothing about the future of sterling. Devaluation in the gold countries may perhaps be a necessity, but it will be a leap in the dark. The other possibility open to the gold countries is to protect themselves against exchange dumping, to take measures of a protectionist character; and this again would restrict international trade.

M. Rist goes on to say that, if the dollar and the pound were stabilized on gold and if the gold bloc countries then stabilized their currencies at a given level, a revival of world trade would 'inevitably' follow. Meanwhile, Finance Minister Germain-Martin remains committed to

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

maintaining the franc at its present level because of the twenty million savings-bank depositors, the seven million holders of government securities, and the eight million beneficiaries of social insurance, not to mention salaried workers and pensioners.

STALIN'S STATEMENT to Laval, that he 'understood and fully approved the policy of national defense pursued by France with a view to maintaining her armed forces on a level with her security,' has made the French Socialists appear, for the first time in their lives, more radical than the French Communists. Their leader, Léon Blum, who edits their daily organ, the *Populaire* and opposed forming the united front with the Communists last summer, writes:—

> I am afraid that Stalin did not realize the disturbing effect that his words would have on the political situation in France and on the situation of the French working class.

While M. Blum advocates 'disarmament and control' in preference to the official French demand for 'security,' *Humanité*, daily Communist organ, draws distinctions between a national army and the Red Army and between the French soldiers and the French General Staff. Maurice Thorez, secretary of the Central Committee of the French Communist Party, says that a war launched by Hitler against the Soviet Union is not an imperialist war, 'a war between two imperialist gangs; it is a war against the Soviet Union' and therefore not to be transformed into civil war. Whether through enthusiasm for the Soviet Union or through love of militarism, many working-class districts at the recent municipal elections cast their votes for Communist candidates.

WHILE ROOSEVELT tries to 'prime the pump' and revive the capital-goods industries by financing consumption through government spending, Hitler has the opposite problem on his hands. Deposits in German savings banks rose from 284 million marks during the first three months of 1934 to 362.5 millions during the first three months of 1935. These increased savings helped to finance industrial expansion, and the index of total industrial production rose from 85.6 to 87.4 in the five months ending March, 1935, while the index of capital-goods production rose from 82.1 to 91.4 in the same period. The consumption-goods index, on the other hand, fell from 90.9 to 81.4, and in March the production of consumption goods fell almost to the unprecedented depths of two years before when Hitler assumed power. One explanation of this decline may lie in the unwillingness of the public to buy *Ersatz* (substitute) products. In any case, it does not require much imagination to detect behind these facts and figures a declining standard of living for the mass of the people

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

and therefore additional reason for Hitler to distract attention by sabre-rattling abroad.

ALTHOUGH THE RESPECTABLE press of Europe and America prints little information to that effect, Italy is probably facing a more serious crisis than any other nation in Europe at the moment. The restrictions placed on foreign exchange at the end of 1934 served warning, and Mussolini's subsequent preparations for war on Abyssinia suggest that only a war—and a very risky war, at that—may be able to overcome a rising wave of popular unrest. But, doubtful as the outcome of an Abyssinian campaign may be, fulminations on this subject do not step on any important toes, and the world has not been unduly disturbed by the Duce's excited speeches on the subject. What caused far greater concern was his criticism of the English, especially in view of the fact that Italy's very existence lies at the mercy of the British Mediterranean fleet. That Mussolini has finally dared to offend the most powerful nation on earth is the surest sign that something is rotten in the state. In the light of these observations, the following report of the United Anti-Fascist Committee in Paris, based on information received from Milan, possesses far greater importance than the usual outcry of a disgruntled and exiled opposition:—

> At Olgiate, the population threatened to invade the town hall to protest against the mobilization and departure of reservists. The police had to intervene and made numerous arrests.
>
> At Pavia, during a performance at the cinema, a group of students applauded a picture of troops departing for Africa. They were attacked by soldiers in the audience, who were angry at the prospect of being sent abroad.
>
> At the Fascist barracks of Guglielmo Obercau, three hundred young Fascists were compelled to depart as 'volunteers.' The order provoked a violent disturbance; several dozens had refused to go.
>
> At Galleria, there was a conflict between young recruits of the 1914 class and the reservists of 1911. The young recruits carried a banner: 'Long live the class of 1914—the iron class.' The reservists of 1911 retorted by shouting: 'You will know about it when you go to Abyssinia. You are being sent to slaughter. Down with the war.' The militia intervened and arrested many of the reservists.

NOW THAT A YEAR has passed since the assassination of Chancellor Dollfuss, Austria has again begun to fear civil war. Thirty per cent of the population supports the Schuschnigg-Starhemberg-Fey Government, 30 per cent supports the Nazis, and 40 per cent supports the Socialists and Communists. All the opposition groups publish and circulate illegal newspapers, and the Socialist *Arbeiter Zeitung*, smuggled in weekly from Czechoslovakia, is said to have a larger circulation than the daily paper of the same name, which it has replaced. But the Communists are winning over many former Socialists and are forming rival

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

cells in all parts of the country, thus forcing the Socialists to take a more militant position. Sir Percival Phillips, Vienna correspondent of the London *Daily Telegraph*, describes the opposition groups as follows:—

> The Nazis, after months of despondency, are again raising their heads. The return of the Saar to Germany and Germany's denunciation of the Treaty of Versailles have given them new courage. They are saying in effect that Hitler has shown them the way. By lifting his voice and banging his fist on the table, he has compelled his enemies abroad to respect, if not to fear, Germany, and they propose to follow the same tactics.
>
> Terrorism being out of the question at present, as they have no arms, they have turned to intensive propaganda. Despite the vigilance of the Government, their activity has increased enormously.
>
> The Socialists have kept together and are likewise engaged in a lively propaganda offensive. Far from being cowed, their publicists boast of the good fight made against Fascism in defense of the Republican Constitution. They point to the vast model housing schemes, which have been realized in the industrial outskirts of Vienna and the improved condition of the working classes as practical results of a Socialist policy.

Meanwhile, monarchist activity in behalf of young Otto is increasing, but the Government, though friendly to the Hapsburg cause, cannot openly espouse restoration without arousing the combined opposition of the Nazis and the Socialists at home and offending both Germany and the Little Entente abroad.

DR. JOSEF KRUK, a Polish labor leader, prophesies big changes in his native land as a result of Pilsudski's death. As a Left-wing Socialist, he criticizes the Polish Socialist Party because it entered a coalition government with middle-class groups after the War and did not strike for a radical programme when the iron was hot. He also criticizes the Polish Communists because they opposed the Republic and did not see its possibilities as a stepping-stone toward a socialist society. Marshal Pilsudski therefore had little difficulty in taking advantage of the split between the overzealous Communists and the underzealous Socialists to set up his dictatorial rule, and, now that he has gone, the stage seems to be set for a legal Fascist coup d'état on the Hitler model. Because the workers and peasants form 90 per cent of the Polish population and are clamoring for free land and the socialization of industry, Dr. Kruk urges them not to be content with a mere restoration of Parliament:—

> It will be foolish if the working class should be satisfied now, after Pilsudski's death, with demanding the restoration of the old parliamentary institutions.
>
> Freedom of speech, party, and press are essential, but in Poland the real 100-per-cent Fascists, the 'National-Democratic Party' (who have complained that the Hitlerites stole their programme!) are very powerful. There is a real danger that this party may come to power just in the same formally democratic way that Hitler came to power in January, 1933.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

> Polish 'democracy' depends upon the workers and peasants becoming a fighting force which will not content itself with the restoration of paper constitutions but will capture power to lay down the foundations of a socialist commonwealth.
>
> Of course, this is not an easy thing. It needs a tremendous effort. In Poland we have 12 socialist parties. It will be realized from this fact how important it is to establish a real, honest united front.

THE EFFECTS of Roosevelt's silver policy, which is castigated by the London *Economist* in our 'As Others See Us' department, have made themselves painfully evident in Hong-Kong. This centre of British activity in southern China—corresponding to Shanghai in the north—has at last felt the force of the depression, and, now that the rising price of silver has made the prices of all Chinese products rise proportionately on the world market, exports from Hong-Kong have declined. At the same time, Japanese imports are ousting imports from Great Britain. The *Manchester Guardian*, always eager to report the ravages of Japan on England's cotton industry, prints three dispatches from a special correspondent who has visited Hong-Kong for the first time in ten years and who dreads more than anything else exactly the kind of 'coöperation' between China and Japan that seems to be developing in the north:—

> It might be argued that to Hong-Kong, considered as a distributing centre and free port, the provenance of imports is unimportant. It is clear, on the other hand, that to Hong-Kong, as represented by its British traders, who are the main channel for the sale of the United Kingdom's manufactures in South China and upon whose prosperity the welfare of the port largely depends, Japanese competition is vital. Statistics show that in 1931 Japan's proportion of the import trade was smaller than Great Britain's; in 1934 it was greater, notwithstanding the anti-Japanese boycott. In the event of a rapprochement between China and Japan, involving special economic arrangements,—as is anticipated,—this fact would become still more disturbing.

Thus, the real function of American gunboats in Chinese waters becomes increasingly clear.

ONE CAUSE of Japan's latest offensive against China lies in the fact that during the past year some twenty countries have taken measures to restrict Japanese imports and are threatening further restrictions. Although Japan's imports exceed exports by only 5 per cent, the entire national economy is threatened by the fact that the country does not sell to the same nations from which she buys. Thus, the United States and various British possessions provide Japan with most of her raw materials —indeed, they can be bought only from a relatively small number of countries. On the other hand, the Central American nations buy 50 times as much from Japan as they sell there, Holland buys 5 times as much, Italy, the Dutch East Indies, South America, and Africa 2½ times

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

as much, France, Manchukuo, and the Philippines twice as much, the British Isles half again as much. The United States fights the loss of Latin American markets by agitating in those countries against Japanese dumping and actually forcing their hands in certain cases, notably Cuba. The British also resent the attempt of Japan to capture the Egyptian market. The director of the Permanent Exhibition of Japanese Goods in Cairo recently made this statement in the native press:—

> We want industry to flourish in Egypt, an eastern country, and we hope that the day will come when she will dispense altogether with British manufactured goods, in particular, and, in general, manufactured goods from all countries. The Japanese Government never helps our goods to compete with Egyptian products. I am working to create a balanced trade account between Japan and Egypt, two eastern countries. But I fear that, if Egypt joins the British commercial war against Japan, commercial relations between the two eastern countries will weaken very considerably, a matter of great regret.

The British-owned *Japan Chronicle* of Kobe replied by pointing out that the balance of trade between Egypt and Japan is in Japan's favor and that the Anglo-Japanese trade balance took a big leap in Japan's favor last year. In any case, the war seems to be on.

OUR LEADING GROUP of articles on aviation suggests that during the twentieth century the airplane will play as important a part in opening up colonial countries as the railway did in the nineteenth. This is especially true in the case of China. Owing to the lack of railway communications there, the airplane has little competition, and during the past six years air transport has made extraordinary progress. The following table reveals in a nutshell what has happened in China since 1929:—

	Kilometres flown	Kilogrammes of freight	Passengers	Passenger-kilometres
1929	93,167	106,875	354	3,932
1930	531,196	1,027,902	2,654	17,993
1931	716,201	976,831	2,296	34,428
1932	693,842	1,247,265	3,153	50,851
1933	1,024,063	1,451,384	3,050	49,246
1934 (9 months)	989,869	1,706,222	3,334	39,691

The China National Aviation Corporation, in which Pan-American Airways controls 45 per cent of the stock, showed a small profit in 1934, when it did a record volume of business. It was formed in 1929 and opened a regular hydroplane service between Shanghai and Hankow. It now dominates the rich Yangtze basin and has lines that connect Shanghai, Nanking, Kiukiang, and Hankow. In 1933 it opened services between Shanghai, Canton, Peiping, and the rich province of Szechwan, now the chief stronghold of Communism. French and English companies are de-

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

veloping lines from Indo-China and Singapore, while a German-Russian company links China to the Soviet air network.

TWO CHINESE students, backed by the Commission of Education of the National Government, have made a report on certain parts of Fukien Province, formerly under Communist control. Naturally, they have an ineradicable hostility to Communism and an equally strong attachment to Chiang Kai-shek, but their conclusions are worth reporting. To begin with they admit the justification—even the inevitability—of the Communist revolts. They refer to the soldiers who ruled Fukien prior to the rebellion of 1933 as 'barbarous and oppressive,' they describe the officials as 'greedily sucking the very lifeblood of the farmers and laborers.' The landlords were 'harsh and grasping to the limit,' and the local gentry 'devoured the residue of their victims.' Came the revolution. The most telling point made against the Communist leaders is that they harassed the people with overorganization:—

> There were the Soviets of various ranks, the Red Guard, the Youth's Vanguard, the Children's Band, the Women's Association, the Nursing Group, the Laundry Group, the Judicial Board, the Education Board, the Cultural Committee, the Purgation Committee, etc. etc. The very names of these organizations with their Soviet-Russian connotation were enough to daze the common people, let alone the fact that they were forced to join them. Every one was forced, indeed, to join several of them at one and the same time. The people became so busy defending the new 'Soviet State' and promoting its 'welfare' that they had no time to earn their own livelihood.

They also made excessive levies of men and grain in connection with their warfare, their redivision of the land did not always meet with approval, and, in their eagerness to supplant traditional beliefs and psychology, the Communists failed to supply new ideas of permanent value. Of course, the charge of corruption is also raised, but, in this respect, the Communists do not differ from any other Chinese faction—unless, perhaps, they are slightly more honest than the average. It remains to be seen whether history will repeat itself in Szechwan or whether the Communists have learned as much about psychology as they have about military tactics in recent years.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

This comprehensive survey running to six separate articles shows how aviation is revolutionizing our planet.

The WORLD *on the* Wing

A Survey of
Four Continents

I. Europe's Bankrupt Airways

By a Special Correspondent
From the *Manchester Guardian*, Manchester Liberal Daily

THE most complete survey of commercial aviation in Europe so far attempted has just been published as a League report, *Economics of Air Transport in Europe*, by M. Henri Bouché (League of Nations Air-Transport Coöperation Committee. London: George Allen and Unwin. 3s. 6d.). It does not make a pleasant picture. M. Henri Bouché, the compiler, has obviously striven to keep his comment as level and objective in tone as possible, but his figures are damning. A more complete confession of the waste and inefficiency of commercial nationalism in aviation would be hard to imagine.

Money has been poured out like water on the development of air transport in Europe. In the three years 1930, 1931, and 1932 it is calculated that the total cost of subsidies to the European taxpayer was 2,000,000,000 francs (about £27,000,000 at present rates). For every ton-kilometre in 1932—that is to say, for every ton's weight of passengers, mails, or goods carried the distance of one kilometre—44.70 francs was paid. For every kilometre of flying done customers paid 4.75 francs and the state paid 14.50 francs. And for all this immense expenditure the amount of transport actually carried could have been packed into two or three small railway trucks running each day from London to the North of Scotland. 'I am aware that speed is costly,' remarks M. Bouché coldly, 'but I consider that with such re-

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

sources greater results might be aimed at or that, if the companies are to be content with these small results, the cost could be very much less.'

Detailed analysis indicates much what one might expect: one or two prosperous or semi-prosperous concerns and a great mass of national companies who apparently have no chance of reaching financial independence in time that one can foresee. In 1933 there were only four companies in Europe that were even halfway toward the goal of 'paying their way.' If we take the figure 100 as representing the point at which financial autonomy is achieved and a state subsidy is no longer needed, the position for these four companies was:—

Holland (K. L. M.)	76
Finland	70
Britain (Imperial Airways' European Services)	61
Denmark	55

Holland, in other words, has advanced three-quarters of the way to financial independence; Britain rather less than two-thirds. In some other countries the ratio is almost staggeringly low. Even for France and Germany the figures are:—

France	21
Germany	35

For the Italian air lines the figure is 8.7. For every passenger or airmail letter 'the Italian Government pays seventeen times as much as the Netherlands Government.' Italy's air lines have gone less than one-tenth of the road toward independence of subsidies. The European air network as a whole has gone less than one-third.

How can one explain the immense inequalities in these results? Geography obviously has something to do with it. The Dutch and British companies are fortunate in that they operate over some of the most economically active parts of the Continent; Holland, for example, is strategically placed at the intersection of some of the chief trade routes of Northern Europe. M. Bouché mentions Holland's 'traditional free-trade system.' He might also have added that the Dutch authorities have consistently encouraged foreign air transport to come to Holland instead of consistently hindering it, as most other countries have done.

But geography cannot explain everything—why, for example, the French and German air lines have such a comparatively poor financial record. Or it may explain too much. The salient lesson of this report is that country after country in Europe is not trying to relate its aviation to its geographical situation at all. It is not even attempting to treat aviation as a public-utility service. For reasons of national pride or 'prestige,' or because the nation wants a military reserve, a 'commercial' air fleet in Europe to-day is apparently something that no self-respecting country can do without. Consequently, however remote the advantages, each great or tiny state continues to pay for this costly toy and ignores, obstructs, or refuses to play with the similar costly toys of its neighbors. And aviation, whose unique transport service is essentially not so much 'international' as 'supernational,' naturally wilts.

The inequalities in the economic return from particular air routes comes out clearly in one of M. Bouché's tables. The airway between London

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

and Paris, for example, was fairly well known to be one of the most prosperous in Europe. But the actual extent of its supremacy could scarcely be guessed.

TON-KILOMETRES CARRIED PER KILOMETRE OF LINE (1932)

Paris-London (two British, one French company)	5,274
Amsterdam-London (one Dutch company)	744
Paris-Berlin (French and German jointly)	335
Venice-Brindisi (Italian company)	21
Rome-Tripoli (Italian company)	94
Marseille Algiers (French company)	28
Bratislava-Zagreb (Czechoslovakian company)	11

This is only a selection of extreme examples. But no other air route in Europe even remotely approaches the activity witnessed on that between Paris and London. And it will be noticed that the use made of the routes may vary in the ratio of 11 to over 5,000.

The degrees of financial profitability in particular air routes are also fantastically unequal. The Imperial Airways' London-Paris service was, in 1932, 76 per cent self-supporting. The Italian line between Venice and Brindisi was .85 per cent self-supporting. All the Italian lines in the Mediterranean were self-supporting only to the extent of from under 1 per cent to 7 per cent.

'Altogether,' says M. Bouché, 'we have a system that is far more in the nature of propaganda than of economic utility or the fulfillment of permanent needs.' What steps could be taken for reform? M. Bouché, as becomes a League expert, is cautious. He skates politely over the governmental inefficiencies, the national greeds and jealousies, the denial of the right of 'free passage.' He merely points out that at the end of last year the 'European network was undoubtedly just as far away from independence and its economic activity was no higher' than it was two years before. A 'doctrine of collective action calculated on a European scale to meet European needs and based on strictly economic lines' is wanted.

Supposing—a theoretical calculation—European aviation could be 'rationalized,' supposing the existing airplanes could be redistributed in time and space and allotted to the places where there was most use for them, then, he calculates, the whole of the present traffic could be carried by less than a quarter of the present European air fleet. Redundant or grossly uneconomic lines could be closed down. Others, which do not exist to-day, could be set up. 'That part of Europe that is economically the most active'—the great quadrilateral between London, Malmö, Budapest, and Marseille—'will soon be one single territorial district, which a fast aircraft will cross in half a day's daytime flying.' The average length of the air stage is still far too short.

We should be planning for a Europe that is a single 'protected zone' (protected by a uniform system of wireless and meteorological guidance), in which, instead of short-stage, town-to-town flying, there will be direct connections between all important centres. The aircraft unit, with its flexibility, makes this much more feasible than would any other form of transport. Already the 'average air service' flies over three national territories; that number must soon rap-

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

idly increase, and aircraft, in order to 'have the freedom that is natural to it, can no longer follow routes imposed on it and cannot keep to Customs airports, "corridors of approach," or "prohibited zones."' To deal with aircraft obsolescence the only sound system of renewal would be one of large numbers—so tending toward the creation of an international pool of aircraft 'based on the smallest possible number of models and technical characteristics.'

On the political machinery by which these benefits are to be obtained, M. Bouché does not offer an express opinion since he considers the question beyond his competence. But his feeling that nothing less will serve than some form of internationalization is plain. 'I feel less than ever that coöperation between national companies can provide the best method of operating international air services.' He sees no solution in partial traffic pools. Nor can he find any comfort in the sanguine view (only too common in this country) that the mere absurdities of the present air situation, a more general spread of the sense of the common benefits to be derived from freeing air transport of its obstacles will themselves ultimately force improvement. These obstacles, he thinks, will only become the 'more formidable the more ambitious certain national programmes appear and the further they may seem from economic or financial realities.'

'The problem is and remains a political one. It cannot be solved by experts.'

II. Yankee Air Imperialism

By Juan del Camino

Translated from the *Repertorio Americano*, San José, Costa Rica, Liberal Weekly

COMMERCIAL aviation in Latin America is being greedily promoted by the air-transportation companies of the United States, and the fact that Latin American countries have handed over their air routes in extremely advantageous, long-term concessions has enabled these companies to push aviation ahead, so that in a few years the United States will become immensely powerful. The plan is to fill the South American air with Yankee ships, whose hulls will be packed with merchandise for the markets into which Yankee policy is transforming us, markets that, furthermore, can consume a great deal because of our immense populations. The United States has enough industries to supply us, and, now that commercial aviation has constructed a plane that can safely carry heavy loads, commercial conquest is certain in the near future. It is to the interest of the State Department to continue the steady progress of its aviation.

The concessions obtained by Pan-American Airways, Inc. and by Pan-American-Grace Airways, Inc. are calculated to win absolute dominion over the air in Latin America during the next twenty years. Each nation has placed its routes at the disposal of these companies, whose control is not contested by Europeans. In Colombia, where the Germans came first and got

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

a long-term concession, the Yankee was clever enough to ally himself with them. To-day he exploits aviation there, certain that he will soon eliminate his partner and continue alone.

To obtain an air route, one must also win rights on the ground and water below. Every air concession involves a concession of land, water, and other means of communication. The Yankee companies count on permission to use whatever fields best suit their needs and on installing wireless stations that keep them in contact with the immense network that spreads over their dominions. When we speak of air concessions to Pan-American Airways, Inc. or to Pan-American-Grace Airways, Inc., we speak of an aggregate of immense importance.

Peru, where the latter company has obtained the air concession, is covered with mountains, and in order to exploit its mineral wealth one must often scale almost inaccessible heights. Yankee aviation, however, has developed a plane that can carry machinery weighing many tons, and in 1933 it transported a hydroelectric plant weighing 55 tons from Cuzco to the mines at Huanuco, 12,500 feet above sea level. It takes mules ten days to make the trip, but the airplane requires only a few hours. Last year Pan-American-Grace Airways, Inc. transported 600 tons to the same place, and the machinery was much bulkier and harder to handle. Engineers have built an airplane that can rise as high as 16,000 feet with a load of 1,983 kilogrammes. This is said to be the first attempt of its kind made in Latin America, and its admirable success has established a basis for future progress. In a few years planes will be able to carry enormous loads quite safely, and what they have just done in Peru they will do everywhere. No district will be too high or too remote for them.

Complacent observers say that this progress will aid these countries, and it is true that many benefits will accrue, but not enough to compensate for the attendant evils. Commercial aviation in the hands of the imperialist United States represents a horrible slavery for the nations who are dominated by long-term leases. No other aviation interests can get a foothold, and the outcome will be that planes will dump only products of Yankee industry in our markets. It is not beyond the bounds of reason to imagine that Yankee imperialist aviation will be transporting from the United States everything that we consume, as its successful attempts in Peru already suggest. The companies obtained their concessions by carrying mail and passengers, and soon they will also carry immense loads of freight. Distances will be shortened every day, and the speed of the planes will reach incredible proportions. A few days after leaving an American factory, the loaded planes will be able to land on Argentine, Chilean, or Peruvian soil.

Whatever these imperialist agencies do for the future of aviation will accrue to the exclusive benefit of Yankee aviation. It would be the height of folly to imagine that every step of their technical progress is likewise advantageous to the aviation of countries that can compete with the United States, for Yankee imperialism is behind this progress. Pan-American Airways, Inc. was born in the State Department. The leaders of imperialism organized it and let fly its ships by

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

means of certain air-mail contracts that were very burdensome to the American Treasury, contracts that recently gave rise to a scandal in the Senate. The aviation company had received as much money and resources as it needed to swoop down and capture the Latin American air routes. Pan-American Airways, Inc. and its twin, Pan-American-Grace Airways, Inc., are consequently advancing for the sole benefit of the Power that hurled them like a whip over Latin America.

III. Flying to South America

By Walter Mittelholzer

Translated from the *Berliner Tageblatt*, Berlin National-Socialist Daily

I FLEW to South America primarily to study the problem of establishing a regular air service across the south Atlantic. I wanted to investigate the future possibilities of air travel at first hand and to familiarize myself with the advantages and drawbacks of the French and German systems. Since I made this trip on German air-mail lines all the way from Stuttgart to Buenos Aires, acting as assistant pilot, I should like to present by way of contrast part of an article that the well-known French aviation expert, Henri Bouché, wrote for the *Illustration*. Henri Bouché draws attention to the concern of the French over the important competition that the Lufthansa and the Zeppelin concern have been offering the French line, Air France, which succeeded the Aéropostale since early in 1934. He writes as follows:—

'The average time of the weekly French air service from Toulouse to Buenos Aires amounts to seven and a half days, of which 108 hours are consumed crossing the south Atlantic from Dakar to Natal on the rapid Aviso motor-ship. The flying time from Toulouse to Dakar amounts to only thirty-two and a half hours, and from Natal to Buenos Aires to forty and a half hours.'

Bouché rightly praises the extraordinary speed that pilots have maintained for the past six years by day and night in all kinds of weather at great sacrifice and under considerable danger. Four years ago, when I flew to Lake Tchad, I spent two weeks marveling at the wonderful skill my flying French comrades showed in navigating the most dangerous coast in the world, the Rio de Oro, where they would land and take off by night. Some of these men have since vanished forever in the pitiless desert or in the thick jungles along the Brazilian coast.

On February 2, 1934, the Lufthansa began a regular mail service that reduced the journey across the south Atlantic to five days by the use of hydroplanes. The competition against France was becoming serious. In order to meet it the Air France, with the aid of the Air Ministry, put two big flying planes into direct transatlantic service, one of them the four-motored hydroplane, *Croix du Sud*, and the other, the more recently built and swifter three-motored land plane, *Arc en Ciel*. In twelve trips the Air France

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

reduced the journey from France to Buenos Aires to an average of four and a half days. Such time, however, was possible only under the most favorable conditions and with pilots of exceptional courage. The Germans, on the other hand, had from the start based their system on two ships equipped with catapults, the *Westfalen* and the *Schwabenland*, which maintain a regular weekly schedule, as Bouché himself acknowledges. On the 23rd and 24th of October the stretch from Bathurst, where the *Schwabenland* lay, to Natal was covered in a single night flight for the first time, and the journey from Germany to South America was reduced to only three days. According to Bouché, the economic advantages of the German line have now reached such a point that the experimental stage has been passed, and German air lines now carry between forty and forty-five per cent of all the air mail between South America and Europe.

The monopoly that the Aéropostale acquired for several hundred million French francs has collapsed, and Bouché concludes that new technical methods have enabled the Germans to make the journey from South America to Europe in much less time than his own countrymen require unless they use such planes as the *Arc en Ciel* and the *Croix du Sud*. He therefore urges that the French establish a regular south-Atlantic air service this year in order to prevent the German lines from gaining a complete supremacy. I refer to this frank announcement by an expert connected with the French civil air service to give the reader a quick view of the tremendous competition for dominance of the main airways of the world that is now under way. It is absolutely necessary for the layman to understand this problem, for a complete transformation of the world picture is now under way in South America as the result of air travel. The rapid increase of flying speed and the increased radius of action will raise equally important problems within a few years in respect to a regular north-Atlantic air service, on which the aviation companies of England and America are already bringing every effort to bear.

II

It was 1,300 kilometres from Rio to Bahia. After 750 kilometres, Pernambuco, the Brazilian Venice, with its numerous bridges and graceful, beautiful women, lay behind us. Pernambuco is the most important sugar centre in Brazil and has also become the most important point of departure for air service to Europe. Modern air transport lives on contrasts and surprises. Luckily I kept a complete diary during my South American flight; otherwise I should never be able to set down my recollections as I am now doing in St. Moritz between flights through the Alps.

But there was one adventure that I would need no notes to recall—Rio de Janeiro! How many times your exotic beauty has been praised more highly than the beauties any other nation possesses! Anyone who has entered your harbor on a sunshiny day with a bright blue sky overhead and has seen your vertical cliffs twelve hundred feet high and your seventy islands covered with tropical forests praises you as the crown of all creation.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The flier is especially stirred when he sees this superb spectacle stretched out before him. Jungles like fragrant gardens pour down from bare, towering crags to the edges of seven different bays and to the outskirts of the city. The surrounding landscape has welded a million inhabitants into the highest kind of unity. Such complete beauty strikes the observer dumb.

My flier's eyes have seen many wonders in the world. I remember Stockholm, Venice at its most marvelous moments, Baghdad, Cairo, and, in remote South Africa, Capetown at the foot of the proud Table Mountain. I have seen the Acropolis in white moonlight, Naples and Sicily with their smoking volcanoes, and I have flown over the deserts of eastern Africa and the snow-covered peaks of Kilimanjaro. I have seen the dark blue fjords of Spitzbergen, in which the mighty inland glaciers crash together. I have seen the incredible stretches of the Iranian Plateau. I have seen all the wonders of the world, but Rio stands supreme.

On December 21st I took a splendid, fully occupied, three-motored Junkers hydroplane to Buenos Aires and was pleasantly surprised to discover that the pilot was my old flying comrade, Heinz Pütz, who accompanied me to Spitzbergen. In 1924 we had an exciting adventure in Denmark when the pontoons of our little hydroplane were completely smashed by big waves. We left the harbor of Rio in the morning mist, filled with the ships of every nation, and flew over the open sea around the Sugar Loaf, which was veiled in heavy rain clouds. The entrance to the port of Santos was impressive; two mountains flank either side of the river valley in which it is situated. A few passengers joined us, having made a two-hour automobile ride from São Paulo, the second largest city in Brazil. This city, 2,500 feet above the sea, with its energetic busy population of over a million, lies in the centre of the biggest coffee district in the world, and it submits those who settle here to a severe test, for they must tend the coffee trees in the burning sun to discover whether they can stand the pace. Brazil's prosperity depends on coffee just as Argentina's prosperity depends on grain and meat and Chile's on nitrates. At seven o'clock we had taken leave of the city of Santos, which was once renowned for its yellow fever, and set off for a flight of 550 kilometres over the open sea. Our next stop was Florianopolis, and after another stretch of 500 kilometres we arrived at Porto Alegre in the state of Rio Grande do Sul at noon.

We took an hour out to eat a bounteous noonday meal with some of our fellow countrymen. It seemed all too brief, and presently the motors were roaring, preparatory to starting south again. The mountainous tropical landscape gradually changed into flat grazing country, on which we could see occasional farms and great herds far below. It looked almost like Mecklenburg or Denmark.

At Cape Polonio we flew over three dark solitary rocky islands inhabited by hundreds of sea lions. We dropped to a height of only sixty feet, and I was able to take a very interesting picture from the pilot's seat with my moving-picture camera. The whiskered sea lions, looking like fawns, tumbled about in the foaming sea, diving and emerging and looking up at us with grins on their faces. A

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

penetrating fishy smell assailed our noses for a few seconds, and we were presently flying over a white guano island covered with birds. Seagulls rose like white clouds and circled up around us and then gradually settled again on their island after we had passed.

The next stretch of our flight along a flat green coast was monotonous until at five o'clock we saw the houses of Montevideo rising in the distance and the capital of Uruguay appeared. We landed in the middle of Montevideo harbor with its modern cranes and big slaughterhouses, which export frozen meat to all parts of the world. Montevideo is a big clean city that owes its fantastic growth to the World War. Here, too, as in Argentina and Brazil cheaper prices prevail although these cities were once the most expensive in the world. When I flew back, I spent the night and had breakfast in one of the best hotels in the city for not more than two marks.

We had almost reached the end of our long day's journey, in which we had spanned 2,200 kilometres, and, after a little flight of barely an hour across the dirty, brown Uruguay River, which is only 200 kilometres across, we arrived at Buenos Aires. The evening sun shed a golden light on this city of two million inhabitants, which had only 300,000 inhabitants in 1880. A tremendous sea of houses, some of them rising over two hundred and fifty feet into the air, announced to us that we had arrived at modern, eager Buenos Aires, with its hundreds of moving-picture establishments, theatres, banks, superb parks, and modern docks.

IV. Germany Flies in Africa

By Major Walter Wülfing

Translated from the *Völkischer Beobachter*, Munich Official National-Socialist Daily

GERMANY has taken a more active part in the development of South African air travel than is commonly believed. Although the first long-distance record flights were made by Englishmen, notably Sir Alan Cobham's flight from London to Capetown ten years ago, German industry and German fliers devised a plan of organized air transport in South Africa that took concrete form.

Germany's progress in developing commercial flying is not the least important consequence of the Versailles dictate, contradictory as it may appear, for the prohibition against building military planes gave our aviation industry the opportunity to concentrate all its intellectual and technical facilities on developing commercial flying, with the result that Germany to-day has acquired leadership in the field. What tremendous progress has occurred since commercial airplane Number One emerged from the Junkers factory in Dessau fifteen years ago and went into the regular service of the Lufthansa in western Germany and the present time, when number D-2,000, bearing the number G-38 and the name of Field Marshal von Hindenburg, was completed. The outstanding reputation of the Junkers all-metal airplane

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

traversed the entire world and brought back orders to the factory.

While the Lufthansa was building model airways in Europe, the English were developing the first air communications between London and Capetown, a route that the English Imperial Airways will cover twice a week. German representatives of the Junkers factory in Dessau took the initiative in developing a regular service in the Union of South Africa and the mandate of Southwest Africa. When their plans and negotiations with the Union and Mandate Governments were made public, the English companies released a storm of protest and complained bitterly to the local governments because they wanted to acquire these German machines.

In spite of everything Junkers carried the day. In the newly established Southwest African Airways Company with headquarters in Windhoek only German machines are used, and four A-50 Junkers planes have been put into regular service between Windhoek and the diamond centre in Kimberley. In Southwest Africa these safe little machines were sold to individuals in remote districts, and, when the recent floods interrupted automobile and railway transportation, they performed distinguished service in bringing supplies to districts that had been cut off. Ever since the Windhoek-Kimberley line was established, this purely German company has maintained service with hundred-per-cent regularity. No accidents or mishaps have occurred. In addition to regular postal service, the airplanes make special flights to all parts of the country where landing fields are available. They are being used more and more, especially by doctors to make urgent visits and transport sick people.

After the distinguished record of the German airplanes, the Government of the Union of South Africa put four Junkers planes into the service of its own Union Airways, purchasing larger models, F-13 and W-34, with enclosed cabins and accommodations for four to six passengers. This is all the more significant because the Union Airways had also ordered some planes from the well-known English firm of de Havilland but purchased no more after they had put the all-metal German planes to the test. Since then more orders for German machines have followed, especially because the public prefers them. Major Miller, the head of Union Airways, who was famous as an aviator during the World War and dropped a floral tribute on the grave of Immelmann, came to Dessau himself with an order. He has repeatedly told German newspaper men that the Junkers factories have given South African air travel a magnificent start because its planes are more adapted to the African climate than any others.

At the end of last year South African Airways bought three big transport planes from the Junkers factory with room for sixteen passengers. Ten days later, including the time required to assemble them and fly them to Africa, they were in regular service between Johannesburg, Durban, East London, Port Elizabeth, and Capetown. Flying at an average speed of 248 kilometres per hour, they were able to cut two hours from the previous normal flying time. At the moment, the following models of

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Junkers planes are in use for South African air travel: three of the A-50 model, five of the F-13 model, one of the W-34 model, and the three sixteen-passenger models that have just arrived.

New negotiations are under way with the local government to develop a direct western route to Europe in addition to the East African route of the Imperial Airways. This new route is to cover the West Coast and was flown by the English aviatrix Amy Mollison, who is best known by her maiden name of Amy Johnson, in the space of four and a half days with only five hours for sleep. This route is about 1,500 kilometres shorter than the 13,000-kilometre air line now used by Imperial Airways in flying from London to Capetown, a journey that to-day requires eleven days. New routes connecting the open spaces between lines that have already been built by other organizations and government support should make this new route a great success.

II

A tremendous and hopeful future is opening up here for German air travel. If the West African flying route is put through, the South African Union is no longer dependent on the unacknowledged monopoly of the English Imperial Airways and will prefer the German air postal service for its traffic with Europe. Control of the airways means the same thing as control of the sea routes by the British flag meant in the past.

We Germans may well be proud of the success that our organizations have won in South African air travel, especially in the face of powerful English competition, which watches the progress of Germany with suspicious eyes. In the not completely closed black continent, the airplane is destined to become the chief means of communication. The ox-cart, which the Dutch introduced to South Africa four hundred years ago, pulled by twenty oxen and able to carry a load of sixty hundredweight at an average speed of two or three kilometres an hour, remained the chief means of transportation until the War. The automobile then took its place until the railway was able to surpass it over longer distances. But it is a costly business building railways, and difficult as well because of bad business conditions. Airplanes have therefore offered sharp competition, and they are also displacing the steamers, which used to carry passengers, mail, and freight from Europe to South Africa up to a few years ago. The time will come in Africa when the railway will fall more and more out of use and the airplane will become the chief means of communication. The distances and topography of Africa also make the victory of the airplane more certain.

For that reason air transport between different continents and nations is becoming increasingly important. To the airplane has fallen the task of bringing nations together in an economic as well as a political sense, and this cannot fail to-day to create cultural bonds, too. In organizing and putting through a regular European service, the German Lufthansa has not been equaled by any foreign company, much less excelled. It will expand still further, developing a network of airways over Africa, and finally its organizations will embrace the whole earth.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

V. Air Strategy in Asia

By Otto Corbach

Translated from the *Berliner Tageblatt*, Berlin National-Socialist Daily

AFTER long, painful consideration, American diplomacy has recognized the decisive importance of air armaments in the increasingly vital political decisions that are to be made in the Far East. The Japanese islands resemble a fox's lair with many entrances. Japan's dependence on imports from far-away districts overseas has decreased because imports of raw materials from nearby Asia have increased. Since the Japanese navy controls the communication lines with Asia, the United States has become deeply involved. Consider, for instance, the dependence of the American automobile industry on the rubber plantations of the Dutch East Indies. Time is obviously working on the side of Japan's defensive naval power and against the offensive naval power of the United States.

But, while naval preparations were making the Japanese island kingdom immune from American attack, military aviation was going forward at a rapid rate and exposing the nerve centres of the foremost yellow nation in the world to attack from the Asiatic continent. Almost a third of the population of the largest Japanese island is concentrated in the four thickly settled cities of Kobe, Osaka, Tokyo, and Yokohama. A successful attack by a powerful bombing squadron would incapacitate all of Japan.

In spite of old and new rivalries, England and the United States have worked out a common strategy since the Great War to 'save civilization,' which means to defend Anglo-Saxon rule throughout the world. The prime consideration has been to assure England of enough rear support in Europe to permit it to bring its full strength to bear on India and the Pacific Ocean. Then, the naval superiority that the Anglo-Saxon Powers enjoyed by reason of their dreadnaughts had to be maintained by preventing an armament race in submarines and bombing planes. For a thousand military planes cost no more than one big battleship, and, since one bomb dropped from one plane or one torpedo from one little submarine can destroy a battleship, the most powerful navy in the world becomes worthless if its freedom of movement cannot be protected from hostile submarines and bombing planes.

II

Shortly after the World War, Admiral Sims declared, 'The battleship was once the backbone of the fleet, but it has ceased to be. Submarines and airplanes have begun to end its rule. Even a small Power can attack a blockading fleet with enough submarines and airplanes to make the maintenance of the blockade completely impossible.' 'Disarmament' conferences retarded this development, and the fighting power of the old expensive battleships was protected from revolutionary novelties. Undeveloped countries were prevented from arming themselves with cheap modern weapons. 'Pacts' favor-

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

able to the traditional naval domination of the big Powers were created, and they resembled so many 'trusts.'

The struggle for control of the Pacific Ocean has been overshadowed by struggle for the domination of Asia's airways. In penetrating Central Asia by way of Manchuria, Japan is not always seeking for new sources of raw material but is also trying to thrust back as far as possible the points of departure for possible airplane attacks on the Pacific islands. The Americans are now planning to help build a huge airplane-motor factory in Russia in order to enable the Soviet air forces to protect their Far Eastern possessions. The rebellion in Fukien was fomented by pro-American Chinese militarists and politicians. They endeavored to set all of South China in motion against the pro-Japanese tendencies of Chiang Kai-shek and to provide the United States with a concession on the island of Tung Shan as a base for regular air service with the Philippines and, hence, as a base for air attacks in some future war.

Japan was especially alarmed by this plan because the island of Formosa lies close to the coast of Fukien and to the predominantly Communist province of Kiangsi, whose Red army recently tried to reach the coast by way of Fukien. Furthermore, the Nineteenth Route Army, whose General Staff included six of the eleven members of the revolutionary Foochow Government, served at least to cover the Communist rear.

Meanwhile, Japanese-American rivalry for the control of the rapidly developing commercial and military aviation of China has aroused England. Three air squadrons have been established at Singapore. A flying school has been set up in Hong-Kong. The post of a special air attaché for China has been created, and the extensive preparations for the air defense of Australia indicate that England's sudden enthusiasm for an air force second to none reflects the recent changes in the Far Eastern balance of power.

Equally significant in this connection is the speeding-up of work on the Canton-Hankow air line, which is financed by British capital and provides Hong-Kong and Hankow with the one air line that does not follow the sea. Hankow, situated in the centre of the Yangtze basin, may be the ultimate goal of the Thibetan expeditionary troops as they head down the Yangtze through northeastern Yünnan and the Province of Szechwan. It is probable that England is endeavoring to fortify her land routes with air bases in the hope of bringing force to bear from Hong-Kong and India on the hinterland of Shanghai since Japan's control of the eastern Pacific is gradually embracing Shanghai.

But, after America recognized Soviet Russia, it had to strengthen its increasing stake in the Pacific area. More important still, it is to America's advantage to use its navy as a controlling element in the whole world of European-American culture. As a sea Power the United States occupies the same advantageous relationship to Europe as Japan does to America, for the American navy could cut off any European opponent from vital possessions and oversea sources of raw material. While Japan pursues its adventurous conquest into the heart of Asia, not only France but England has tended to welcome the opportu-

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

nity to come to a dubious understanding with Japan in the Far East at the expense of American interests. For that reason, American diplomacy must above all else take a stronger tone toward Europe. Even those Americans who want to recognize Japan's Monroe Doctrine for eastern Asia have nothing against a loose association between Russia and China. As for Europe, it will do well to keep in mind the possibility that Roosevelt may ultimately play the same rôle in the Far East that Canning did in Europe and call into life a new world 'to redress the balance of the old.'

VI. The 'Maxim Gorki's' Last May Day

By Boris Efimov

Translated from *Izvestia*, Moscow Official Government Daily

ITS powerful motors humming, the *Maxim Gorki* gently rolls along the airport, swaying from side to side because of the unevenness in the ground.

I am in a semi-circular salon at the nose of this huge airship. Three journalists and one writer are comfortably seated in graceful nickel-plated armchairs by the side windows. Two young girls with shining white teeth, wearing pilot helmets, are bending over the table beside the front window; on the table lies a large map covered with colored-pencil markings. A moving picture operator has monopolized the centre of the salon and spread out the tripod of his one-eyed movie monster.

We turn around. Looking backward through the door of the pilot's cabin, we see a long corridor with an imposing row of nickel-plated armchairs, tables, and graceful table lamps. A brightly polished samovar shines on the buffet. Embroidered tablecloths and curtains hang in even folds. All the objects surrounding me are made with an eye for the maximum comfort, practicality, elegance, and economy. They all bear the stamp of that new style compounded of usefulness and grace that can be readily called 'aëronautic.'

I look around with curiosity and doubt, for it seems absolutely impossible that such a huge complicated piece of metal will be able suddenly to overcome all laws of gravity and rise into the air with all its telephones, electric instruments, and radios. At the moment, the subdued rumbling of the motors becomes a powerful roar, which is not so loud, however, as to compel one to raise one's voice. The buildings that we see from the window rush madly toward us. Just three or four more seconds and eight powerful Soviet motors will raise the largest airplane in the world from the ground without the slightest difficulty.

At first the *Maxim Gorki* flies away from the centre of the city. I look out the window and experience a sensation that has been described thousands of times but that remains as new and wonderful as ever—the bird's-eye view. The buildings and factories on the ground are transformed into models of themselves and look neat, clean, and attractive.

A few more minutes in the air, and a cloud of metallic birds appears on the

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

horizon. Then the *Maxim* makes a tremendous turn and starts flying in the opposite direction, followed by a squadron of planes. Bombing planes from no one knows where gently rise and fall beside each huge wing.

II

The girl-pilot, smiling joyfully, asks the commander of the squadron to tell the pilot that he should follow a straight course from the railroad crossing to reach the Red Square. Listening to her directions I have difficulty in suppressing a smile, for I recall that the pilot who controls the *Maxim Gorki's* left steering wheel made a brilliant and extremely difficult landing near a small French town on the Loire and displayed his marvelous sense of direction in absolutely unfamiliar surroundings, further complicated by darkness and a pouring rain. Probably the pilot himself has forgotten this insignificant episode in his long air service, which has made his name, Mikhail Mikhailovich Gromov, Hero of the Soviet Union, famous the world over. The other steering wheel rests in the dependable hands of Ivan Vasilievich Mikheiev, who has received several decorations.

Gromov and Mikheiev obediently carry out the girl-pilot's instructions. The *Maxim* is now flying straight forward like an arrow, its wings spread wide over the festive streets of the capital. We have already left behind us the steel and concrete of the Dynamo stadium, now in process of construction. Below us the endless ribbon of paraders is unfurled, brilliant with red, green, blue, and multicolored flags, and thickly sprinkled with all the glittering baubles of a carnival.

The *Maxim* is now flying above the street that bears its name. Without slackening its speed, it comes closer to the ground. From the dense crowd that fills the stone bed of the street funny pink circles appear: the upturned faces of the paraders.

Mikhail Koltsov, the commander of the squadron, goes to the radio room. 'The Bolshevist press,' Koltsov says, 'is especially proud and happy because a gigantic airplane of its own making is opening the parade of aërial war forces on this day.'

At this moment, the *Maxim Gorki* is above the historical museum; we fly over the Red Square. In the following seconds our eyes try to see everything. The polished granite of the mausoleum, from the heights of which Stalin and the government leaders are looking at us, the tribunes that greet the air giant, the even rows of seemingly immovable tanks, the tops of the Kremlin towers, and all the festivities of this most beautiful square in all the world. Now the microphone, with its long cord, is in Gromov's hand. Mikhail Mikhailovich speaks a few words of greeting to the radio audience. His other hand is on the steering wheel.

Circling the capital, the *Maxim Gorki* returns to the airport and makes a landing. The young girl-pilots fold their map with obvious satisfaction. The movie operator removes his tripod. The *Maxim Gorki's* flight on this first of May, 1935, is over.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Both the Nazis, with their blocked marks and coördinated Third Reich, and the Russians, with their socialist economy, claim they have superseded the gold standard in their separate ways.

Two Challenges to GOLD

Nazi and Communist Views

I. The Twilight of Gold

By Ferdinand Fried

Translated from the *Tat*, Jena National-Socialist Monthly

THE whole world is still shaken by the effects of the Belgian currency crisis. The deceptive armistice that recently interrupted the world currency war and created the illusion that economic peace had arrived has been destroyed overnight. The universal upheaval that followed the collapse of the belga and that led to repercussions throughout the gold bloc has suddenly thrown the world into another turmoil. The same manifestations that used to occur in the earlier periods of the crisis have reappeared. Airplanes laden with bars of gold are flying over western Europe, and ships are again transporting heavy little crates of gold across the Atlantic. The stock exchanges have become disturbed again, and reports from the banks of issue are again anticipated with excitement.

The air is full of rumors. The press gives disturbing or reassuring interpretations of what is going on. Above all, international speculation again assumes vast proportions. World capital, as restless as a gypsy, ruthless and unprejudiced by its very nature, is taking flight from the 'threatened zones' just as it once fled from Germany. It has lain idle long enough and,

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

like a hyena, awaits a new crisis to provide it with fresh nourishment.

The recent disturbances began with the sudden surprising slump of the pound. No sooner had anxiety on this score slightly relaxed than a united, determined attack on the Belgian franc began. After this currency had been broken, the Luxembourg franc also capitulated quickly. Mutiny has now broken out. The Swiss franc and the Dutch guilder are being attacked, both of which had remained up to now unshaken pillars of stability and the very symbols of the gold standard. Because the attack failed to achieve immediate success and muster sufficient strength to capture these two bulwarks by storm, it now seems that the strategy of attrition has begun. It may last a long time and will finally direct itself against the last stronghold of the gold standard, the French franc. Subsidiary efforts are also being made to destroy the Spanish peseta, but they are comparatively unimportant. The lira has already withdrawn to a rather protected position, having retired into a kind of shell, so that it is no longer in urgent danger.

All these developments have gone forward against the background of mighty political upheavals and decisions, and it is not difficult to establish connections between the two chains of events. As happens so often, cause and effect, economics and politics, are intermingled, and it is impossible to say whether economic struggle has given rise to political developments or whether political decisions are being followed by economic measures. A few significant interrelationships can, however, be detected. In the long run, it is immaterial which is cause and which is effect because, to-day more than ever, politics and economics have become a single unit, from which no nation is independent. There is no such thing as liberal economic policy any more because the needs of the state are now considered paramount, whether these needs are 'economic' in the old sense of the word or not.

Although Germany has played a leading part in the great political decisions, it has played the part of spectator in the economic drama that has been going forward elsewhere in the world. Of course, it is an interested spectator because the decisions that occur in the outer world affect us. Furthermore, we had already made our own decisions. Having gone through the final ordeal by fire, we could watch the further economic developments in other countries with the knowledge that we had already made the right decision for ourselves.

II

Anyone who wishes to come to grips with the deeper causes of the new currency collapse must turn back to the first stabilization of the franc in October, 1926. At that time France stabilized its currency at 20 per cent of its former level, and Belgium stabilized even lower, at 14½ per cent. These levels were decided upon because Belgium is much more dependent than France on export trade. Belgium has the most dense population of any country in Europe. It is the most highly industrialized country and therefore has the greatest export trade per capita. Certain branches of Belgian industry export as much as 60 per cent of their production.

It is therefore easy to understand

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

why foreign trade has more profound effects on the whole economic system in Belgium than in other countries. But the decline in world trade necessarily created difficulties for Belgium, and these difficulties were all the more grave on account of the deflation of the pound and the dollar. The most vital parts of Belgian economy were seriously affected though some improvement might have occurred if the country had joined the 'Sterling Club.' Instead, however, it decided to throw in its fortunes with the gold bloc for practical and personal reasons.

Belgium is not only an exporting country but one of the financial centres of the world. Like Luxembourg, though not to so great an extent, Brussels is the centre of speculative and finance capital; Antwerp, on the other hand, is a centre of shipping and industrial capital. The banking capital, however, always plays the decisive political rôle in Belgium where orthodox liberalism is completely in the saddle. The same groups that stabilized the franc in 1926 clung to gold and the gold standard in 1933 and held out to the last in 1935 in defending the gold franc.

The mentality of the banker creates an economic type of policy, and in Belgium this policy was dictated by bankers of the old school. Behind Theunis stood Hymans. Baron Gutt, an old banker, and Francqui, of the Société Générale, have always played important parts in Belgian politics. They belonged to the last Cabinet, and Franck, the governor of the National Bank, also exercised great influence. The bankers defeated their more or less real interests by clinging to the gold standard, and in the last crisis they fought in behalf of their own policy, which had not only brought this crisis upon the country but which had also ruined their own business. They made the same mistakes that the German bank directors did in 1931 when they put money that had been lent on short-term into long-term loans to industry, especially to industries in which they were themselves deeply involved. The danger in March, 1935, was that all the banks in Belgium would fail.

Belgium faced the choice between two ways out of its crisis, the same two ways that presented themselves to other countries—deflation and devaluation. Deflation, the gradual decline of wages and prices is the solution of orthodox liberalism, the solution of France, the solution that Brüning attempted in Germany in 1932, the solution of the banker. This was also the path that the wise and expert leaders of Belgium wanted to follow with the close collaboration of France, but it was impossible; perhaps younger elements had become too strong. Perhaps, too, the young King played a decisive part and tried to save the youth of Belgium from the collapse with which liberalism threatened the country.

III

In the World Economic Conference at London during the summer of 1933 the question of general stabilization was discussed, and the United States took a more and more equivocal position. At that point France, Switzerland, Belgium, Holland, and Italy announced that under all circumstances they would cling to the gold standard as the basis for their currencies. Thus, the so-called gold bloc came into existence. It did not enter

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

into any binding agreements but confined itself to moral pronouncements. This was sufficient to meet the situation that followed, and two different currency principles arose, leading inevitably to different economic measures in different countries. The English adhered to the principle of the manipulated currency, and the French to the principle of the rigid gold currency.

The latter corresponded to the classical liberal but backward view whereas the former incorporated the new progressive tendencies. It is illuminating that the Anglo-Nordic countries took the progressive view whereas the Roman or Romanized countries adhered to dogma. Poland, which was then on the closest terms with France, adhered to the gold bloc, but, then as now, this decision was of secondary importance. Czechoslovakia was also originally one of the most zealous defenders of the gold standard, but it soon had to devaluate the crown.

Thus, there remained a west European gold group with Italy as its weakest member. The lira was gradually devaluated 7 per cent, and this process was accompanied by a corresponding rise in prices, which Italy was unable to prevent. On the one hand, the country remained tied to the gold standard, but, on the other, it surrounded itself with a wall of regulations covering foreign exchange, hindrances in the way of free exchange of goods, and substitutes for payment in gold. A whole network of economic entanglements was woven, but it failed to prevent the lira from declining in value abroad and from being discounted at between 4 to 3½ per cent, thus creating the very opposite condition from what the gold standard is supposed to guarantee.

Italy's procedure has been compared with that of Germany although the similarities are purely superficial. Germany never declared its allegiance to the gold bloc and has held aloof from the currency war. And the basic situation of the two countries also cannot be compared, for Italy is much more dependent than Germany on foreign raw materials. Italy's imports have recently increased, primarily as a result of feverish armaments, while the country has had to struggle hard to export goods on the world market. Last year the unfavorable trade balance amounted to 2½ billion lira, of which perhaps 800 million was covered by invisible imports, primarily from tourists, whereas the remaining 1.7 billion had to be drawn from Italy's reserves of gold and foreign exchange.

Since this condition cannot last indefinitely, since the foreign-trade deficit is bound to increase, and since the prospects for increased tourist trade, especially from Germany, are not very favorable, there is no way out except help from abroad, and under present conditions this help can come only from France. The dependence of Italy upon France has been bought and paid for by Italy's devotion to the gold standard although, from an economic point of view, the gold standard is of no great importance. Italy's financial dependence arises from its material dependence on the most important raw materials such as coal, ore, and textiles.

But the plan to strengthen the ideal community of the gold bloc by a real economic treaty, whereby Italy's own position would be strengthened, can

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

not succeed because the ideology of the gold bloc contains an inner contradiction. For it is the very essence of liberalism to believe in free competition and free trade with most-favored-nation treatment. The gold bloc, however, was a contradiction in itself, a contradiction that was wittily expressed as follows: 'The gold bloc consists entirely of nations that do not form a bloc and that have no gold.'

This became quite clear at the last conference of the gold-bloc countries in October, 1934, when they tried to conclude commercial treaties. The attempt completely failed, and since then the gold bloc has gone from bad to worse. Even the old Dutchman, Colijn, the father of the gold bloc, who might also be considered the father of liberalism but who at least follows events and recognizes their meaning, uttered a skeptical speech. Flandin visited London and tried to gain England's support for stabilization, but his attempt failed, too. Italy then put up a determined struggle in behalf of its foreign exchange, and the protective measures it took were regarded as a break in the gold bloc. The process continued, and finally Belgium and Luxembourg broke away almost without warning. People remarked with weary irony, 'There are only three of them left—France, Switzerland, and Holland.' And all three of these countries are weakening to-day. While France is showing its determination by issuing gold coins, the Dutch guilder and the Swiss franc have become the centres of attention.

Spain merits a brief glance in passing, for the peseta was also drawn into the general currency crisis, and the discount rate then mounted to 20 per cent. There is a strong movement to link the peseta to the pound, but up to now, although the peseta has not remained strictly on the gold standard, it has defied all storms and has remained at 40 per cent of the previous gold parity. Since Spain has a large gold reserve and a strong control over foreign exchange, there is no acute danger, but both the trade balance and the budget show a deficit. It seems that Spain wants to establish a nationally controlled currency and a big work-creation programme, which would remove it from the ranks of right-thinking liberals.

IV

France alone remains. Even here, however, everything is not quite clear, and it is always possible that a discussion concerning the future of the French franc may arise. Of course, international speculators looking for new fields of activity have played with the French franc and caused the Bank of France some losses in gold, but what can they do in the face of what is relatively the largest gold reserve in the world?

France has therefore made the gesture of issuing gold coins, *louis d'or*, but it is nothing more than a gesture since it will be two years before the coins are actually minted. Meanwhile, more serious troubles are threatening the country's domestic economy. French national finances are in an extraordinarily weak condition. The French bond market has weakened, and the interest rate is rising, which means a tremendous burden when we remember the amount of money that has to go into the armament industry, on which French economy is living to-day. Otherwise, the

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

economic situation in France is almost the worst in the world, and, whereas the country was referred to five years ago as a happy island that the crisis had spared, it now has become almost a crisis island, which has revealed to us what it means to give currency predominance over commerce.

V

The real opponent of France is England, aided by America. England has shown us what it means to sacrifice currency to commerce. There is no denying the fact that not only England but almost all the other members of the 'Sterling Club' have retained their foreign trade better than the other countries, especially the gold-bloc countries, if, indeed, their trade has not actually improved.

In view of the visible results of currency devaluation on the general economic situation, England has naturally taken care to guard this 'advantage.' This has given rise to utter duplicity with regard to further devaluation. On the one hand, it is greeted as a moral success, but, on the other hand, its material advantages are minimized. This attitude comes out most clearly in relation to the dollar, toward which the British have taken an attitude and pursued a policy that is definitely two-faced.

The pound is now competing to a certain extent with the dollar, endeavoring, on the one hand, to lose as little value as possible and, on the other hand, trying to gain real advantages from devaluation. As far as America is concerned, it can be fairly said that Roosevelt has not used his power to devaluate the dollar by a full 50 per cent because he wants to have a little something in reserve for the coming battle with the pound. The sudden decline of the pound at the end of February can be traced back to this rivalry, and, as a result of that decline, the pound reverted to almost exactly its old relationship to the dollar, and subsequently the tension relaxed somewhat. If more countries or currencies now join the sterling bloc, England's position will be strengthened in its competition with the dollar.

The addition of new members to the sterling bloc can easily give rise to reprisals now that the old system of free exchange has been completely abandoned. Belgium provided a significant example. With an instinct that would seem miraculous if it were not the result of thorough understanding, the English Government met the more dangerous results of the devaluation of the belga with methods that prevented almost anybody from suspecting that the belga had encountered any crisis at all. In brief, England raised the tariffs on steel imports. Not only were the new tariffs put into effect with the most refined skill at exactly the right moment, but they were precisely large enough to meet the 28-per-cent devaluation of the belga and assure the English iron and steel industry control of its own domestic market. This is important in view of the fact that in 1934 Belgium shipped steel and iron products valued at more than 3 million pounds sterling to England.

As soon as the free-trading English had learned to use the instrument of the tariff, they did so with real English skill and ruthlessness. They quickly met every development abroad with the necessary measures at home.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

These measures included the currencies of other nations in addition to their own currency. For the attack on the belga and the equally violent attacks on the Swiss franc and the Dutch guilder, not to mention the encirclement of the French franc, originated in London's well-protected fortress. Nor was English capital alone in entering the struggle; London knew perfectly well that foreign speculative capital would also lend its aid in the fray. After the first great attacks against the Dutch guilder and the Swiss franc had been beaten off, the attackers gathered all their forces in London to continue the unbroken process of their foreign operations and pursue the systematic and conscious depreciation of the pound. For the depreciation of the pound damages the economic situation of the gold-bloc countries and therefore tends to weaken the technical position of the gold currencies still further.

VI

What is going on here is a systematic attack on the part of England against France to win back absolute supremacy in world finance and therefore greater freedom of political movement. Up to now, the strength of England has been clearly modified by the strength of the French position. That almost shameful duel between France and England in the summer of 1931, when England had to throw over its currency, has not been forgotten. England made a virtue of necessity and has since succeeded in winning back its lost position.

In this struggle distinctions must be drawn between tactics and strategy. England's tactical successes, for example, reside in the tremendous profits that have been piled up, especially in London, by speculation in declining currencies, including the Belgian currency. The tactical losses occurred when the attacks on Zürich and Amsterdam were defeated. But the strategy in the struggle resides in diverting the stream of gold that flows from the English Dominion of South Africa away from France and into England, with a view to depleting the enormous French gold reserves, on which the supremacy of France ultimately rests. England abandoned the gold standard in order to save and increase its gold reserves and in order to weaken the gold reserves of other nations.

But England also went off the gold standard to save its commerce. It has therefore paid a double price: first, in its own devaluation and, then, in the loss of almost fifty per cent of its purchasing power in foreign markets. France occupies the opposite position. It has maintained a rigid gold standard, even at the cost of its commerce, and has therefore maintained its buying power abroad while running the risk of losing it completely. It is worth recalling that France, unlike England, does not possess any gold mines of its own such as enable England to run the risk of striking out in new directions without undue anxiety. France is more disturbed about maintaining its own reserves, having finally acquired an enormous store of gold, which is estimated at 550 billion francs or 90 billion marks.

The gold reserves of France and its foreign balances are the most important factors in the country's political manœuvres. The foreign balances—that is to say, the loans to the allies of

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

France—have created a small group of Powers that are completely dependent on France and that now include Italy. (Here Poland seems to be playing a double rôle.) The French gold reserve, on the other hand, which can be used to support any gold currency, has created a much larger group of Powers that are also dependent upon France. Some of these entered the gold bloc voluntarily, but before 1931 they maintained the gold standard whether they wanted to or not. This group included even England until it broke loose, carrying other nations in its wake.

England's struggle for independence, waged by the sterling bloc,—including the Nordic countries, on the one hand, and the gold bloc, with the countries depending on France, on the other,—has come to possess special importance by reason of the rôle that the United States is playing. For the United States has also abandoned the gold standard to save its commerce and to increase its store of gold. It has purchased gold from South America, thus serving British interests, but the two English-speaking Powers have not yet reached complete agreement. England is preparing to compete with the dollar in order to get the best possible agreement on devaluation while, at the same time, an Anglo-American currency pact is being prepared. In the background of this conflict are two other protagonists, both possessing political importance, because they affect not only England but almost all the important nations.

For liberal economic theory—and even liberalism itself—is locked in struggle with new tendencies and new developments. Over and above the national frontiers there is another frontier that cuts through the individual nations: gold is the dividing line.

VII

It is impossible to call either of these two protagonists by any definite names because they differ with national peculiarities. Perhaps the words 'defensive front' describe one group, for this expression covers the whole body of liberal theory and, at the same time, indicates the international character of this body of thought. Here we find orthodox faith in the gold standard, the constantly repeated summons to stabilize currencies and return to gold parity; here we find the eternal criticism of the present currency confusion and every new experiment and adventure; here we find faith in the ultimate restoration of free trade. Of course, these views come into conflict with everything that has to do with national feeling and national will and hence everything of a pronounced national character.

In England the division cuts through the London financial district. The 'good old,' predominantly Jewish, financial houses have, of course, clung to the faith of their fathers, but, even though wide circles in England want to stabilize the pound, they do not feel that the time has yet come for final action. On the other hand, there are small but very influential circles opposed to stabilization, opposed to the gold standard, and they see a manipulated currency as the only solution for the future. From an economic standpoint this is revolutionary. The same situation exists in the United States, where the two forces are known by the symbols of Wall Street, on the one hand, and Washington, on the

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

other, or by the names of Morgan and Roosevelt.

At this point it becomes necessary to indicate the far-reaching economic and political consequences of these changes. Gold has a double function. On the one hand, it has a value in itself as a highly prized commodity, but always as a commodity. On the other hand, it is the keystone of a vast economic system, which functions in the framework of the gold standard. It is really outside the world like the point of Archimedes, and it can be used as a basis to move the whole world. The gold standard is also a form of thinking that tyrannizes over all other forms. It is a concept that penetrates everywhere. Domination of the world is built up by means of gold, and everything else is subordinate to it, even the state. The gold standard has made gold something superior to the state although the state used to occupy the highest rank of all earthly things. The absolute sovereignty of the state is therefore undermined to some extent, if not completely shattered, by the mechanism of the gold standard.

By means of this mechanism, gold prices and gold production determine the economic destiny of the world. The cycles of crisis and boom, with their tremendous repercussions on the lives of a people, are determined by the amount of gold that is produced. When the price of gold rises, other prices fall, including wages, and vice versa. Gold has thus acquired a position of divine independence, and all those who defended and supported this concept believed up to a few years ago that they could prophesy a period of declining gold production. Therefore, they foresaw our destiny as inevitably one of rising gold prices, falling prices of goods, power, wages, and all the recessions inherent in a period of crisis.

This network of dependency on gold was broken when the English pound was devaluated. It is therefore merely a question of relativity whether one takes the orthodox point of view and represents the value of the pound in terms of gold or whether one takes the revolutionary attitude of the English, who say that the price of gold has risen in relation to the pound. England was able to make itself absolute master of its own destiny and to determine gold prices at least in its own currency. Whereupon the following miracle occurred: gold production increased in the face of all the pessimistic prophets and, what was still worse, in the face of all the classic rules and laws of the gold standard. This meant a complete upset, a revolutionizing of the entire system. Gold production was no longer automatically regulated by prices or by the cost of producing gold but was planned by the state. The decisive shift from a liberal economic system to a state-controlled economy is revealed with the greatest clearness in the decisive sphere of gold.

It thus becomes clear that we are entering the final crisis of the gold standard, which may also be regarded as symbolizing the crisis of liberalism. It is revealed not only in the transition to planned gold production and to control of prices by national measures, though different nations may proceed differently; it is primarily revealed in the fact that national differences persist and become even more pronounced. This means that a well-functioning gold currency is pass-

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ing out of the picture and with it a completely free, unhampered exchange of immigrants, goods, and capital, between country and country.

Any yardstick is therefore lacking if we are accustomed to observe economic developments from an international point of view because to-day every nation is gradually reverting to its own, and therefore different, yardstick, suited to its own needs and its own will to life. Instead of monetary units, popular necessities are coming to the fore in economic matters. This change has brought two different worlds face to face. They speak different languages and think different thoughts. One world expresses itself in gold and in the gold standard, to which everything else is subordinated and for the sake of which the entire economic system is allowed to enter into a crisis, with the state itself thrown into the scales. The other world expresses itself by maintaining the people and the state; for their sake even the belief in gold is sacrificed.

II. Soviet Money

By Roger Auboin

Translated from the *Europe Nouvelle*, Paris Foreign-Affairs Weekly

If some prophet had announced before the War that the Russian Communist régime would celebrate its eighteenth anniversary in 1935 and that newspapers would mark the occasion by printing favorable accounts of the last Soviet loan, of the balanced budget and the gold coverage, his inexcusable ignorance would have provoked smiles. Every student of political economy knows that the ABC of the Communist régime includes the suppression of money in any form—profit, currency, savings, and taxes.

Yet the ironists would have been deceived once again. To-day there are Soviet finances and a Soviet currency. How can these apparently contradictory words be reconciled? What are the special characters of the monetary mechanism as it functions in Russian economy?

Among all the 'European experiments' there is one that is particularly worth watching, whatever our point of view may be, because it has to do with a country of 160 million people entirely different from any other.

We must not forget that in 1921 Lenin himself recognized with remarkable vigor and realism the prime error that had been made in attempting to establish wartime Communism under peacetime conditions. Political terror, economic requisitions, the necessity of civil war failed to build up an economy and a society.

The New Economic Policy was a first endeavor to hold and consolidate the political power of the Soviets by means of a strategic retreat along the economic front. The creation of a new currency was an important element in this new policy. The original moneyless régime that had first been established and that arose in part from the complete collapse of the old ruble was abandoned. Most exchanges and payments at that time were made in

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

kind, and bills were settled in labor certificates.

The Council of People's Commissars established the official unit of Soviet currency, the chervonetz, by decree on October 11, 1922, and it also determined the rôle that the State Bank should play as a bank of issue. The terms of this decree included the following points: the State Bank issued bills in chervontzi, one chervonetz being equal to the former ten-ruble gold piece, which contained 7.75 grains of fine gold and was the equivalent of 26.66 pre-war French francs. The bank notes were covered by a 25-per-cent reserve of precious metal or by paper redeemable in gold and by a 75-per-cent reserve of short-term notes.

In 1924 the old ruble that originally existed side by side with the chervonetz was reduced to nothing by inflation. The Commissariat of Finance was then authorized to issue bills in 'gold rubles' as well as copper and silver coins. These issues were covered by two guarantees. First, the treasury bills with a nominal value of less than ten rubles were accepted in unlimited quantities by the State Bank at the rate of ten rubles to one chervonetz, according to the decree of February 5, 1924. Second, the total note issue of the Treasury was not to exceed the total amount of notes held by the Bank, according to the decree of September 18, 1930.

The new ruble is therefore supposed to contain .77 grains of fine gold or 2.66 pre-war francs, and the minimum percentage of gold coverage for the entire currency is reduced to 12½ per cent. The new Soviet money is a purely interior affair. Foreign trade is entirely concentrated in the hands of the State and is carried on solely in foreign currency or gold. All imports and exports of notes or metal by individuals are forbidden, and the expenditures and purchases of foreigners in the U. S. S. R. are made in foreign currency through Intourist, the official tourist organization, and through the special Torgsin stores. Any merchandise purchased in rubles outside these stores for export is subject to prohibitive tariffs.

Under these conditions the currency is more completely controlled than in any other country, and it is easy for the authorities to deny that any monetary depreciation has occurred and to maintain that 'the chervonetz is the most solid gold money in the world.'

Figures show, however, that the circulation and buying power of Soviet currency has varied enormously since it was first created. These variations were particularly marked during the first Five-year Plan, between 1928 and 1933. On January 1, 1927, the total circulation, including treasury notes and bank notes, amounted to only 1,354 million rubles. In July, 1933, it rose to 6,824 millions, and in January, 1935, to 7,734 millions. The following tables show the variation in the monetary reserves and the amount of money in circulation in millions of rubles:—

RESERVES

	1929	1931	1934	1935
	(In millions of rubles)			
Gold	178	483	807	854
Other precious metals	44	21	9	8
Bills of exchange	78	42	42	29
Total	300	546	858	891

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Circulation	1929	1931	1934	1935
Bank notes..	1,122	2,080	3,432	3,838
Treasury notes.....	974	2,221	3,426	3,896
Total.....	2,096	4,301	6,858	7,734

It would be a mistake to compare these figures with those of other countries without recalling the profound differences between Soviet economy and capitalist economy, for the total reserves and circulating medium seem very small for a population of more than 160 million inhabitants. The reserves amount to about 5 rubles or 67 francs per capita, and the circulating medium to 48 rubles, the equivalent of 638 francs at par, though actually they have much less purchasing power. In France, on the other hand, the corresponding figure for reserves is about 2,000 francs per capita.

But we must not forget that reserves are of secondary importance when the currency is inconvertible and is carefully guarded from any contact with the outside world. Moreover, all foreign trade is carried on in bills of exchange, and all large-scale commercial transactions are regulated by simple transfers between different state enterprises. Some of the national receipts and expenditures are also still made in kind. Money, therefore, is far less used than in other countries, even in those that have no regular currency. It serves almost exclusively to pay wages, and most of the notes handed over in this way are immediately spent. The rapidity of currency circulation is therefore very great. The 7 billion rubles in circulation change hands approximately once in seven weeks.

In spite of the obvious increase in circulating medium, which has been multiplied five times over since 1927, and in spite of the low gold coverage of the currency, the Soviet authorities have always refused to recognize that inflation exists. They generally attribute the increase of circulating medium to the financing of national production and to their rapid development. This is correct, but it is none the less true that prices have risen, and in consequence the actual buying power of the ruble has declined.

II

There are no price indexes in the U. S. S. R. None, indeed, could be established because there is not one market but several, each of which is cut off by administrative measures, and any note has a different buying power depending on who spends it and what his work is. The following five price categories can, however, be distinguished:—

1. The closed coöperatives. These sell only to ticket-holders, the workers and officials who are permitted to purchase in the factory or office coöperative in which they are registered. These prices are one-fifth or one-tenth as great as the prices in the ordinary market, but the quantity of goods available is strictly rationed. In 1933 workers' rations were still limited to 400 grammes of bread a day and 500 grammes of meat a month. The ticket-holders therefore had to buy any additional products that they needed outside.

2. The open market. Since the establishment of coöperative farms, or kolkhozes, and the extension of the coöperative system to certain branches of light industry, there has come into

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

existence a mass of goods that are sold directly by the producers to the public after certain taxes in kind have been paid to the State. Crowds of peasants and little artisans throng the establishments that have been put up for the sale of these commodities all over the country. These places look as animated as a fair or bazaar. In certain towns production coöperatives display their wares in shops more modest than the state shops and sell their goods directly to the public. Here demand and supply establish a natural equilibrium between production, or at least part of the total production, and consumption. The State, of course, is able to exert some influence on the prices in the open markets since it can alter the demand by the wages it pays and the supply by changing the amount of taxes in kind that it levies and by varying the quantities and the prices of the merchandise offered in the state stores.

3. State stores. The products of nationalized industry are offered to the public in stores that are open to everyone and that do not ration their sales but maintain so-called commercial prices. Prices in these stores are generally close to those in the open markets, five or ten times higher than the prices in the coöperatives. Certain shops in Moscow are well provided with merchandise of every kind and look like our own big stores.

4. Stores at which payments are made in foreign exchange. These are the Torgsin stores. They are open to nationals and foreigners and offer luxury products. Prices are marked in gold rubles, but payment can be made only in foreign exchange or precious metals.

5. Establishments that conduct transactions between state enterprises and that correspond to wholesale houses in other countries.

One fact immediately strikes the foreigner arriving in a Soviet town—the contrast between the different prices. If he goes into a Torgsin store, in which payments are made in foreign exchange, the prices seem very much like those to which he is accustomed in his own country. If he enters the neighboring Mostorg, in which payments are made in paper rubles, the prices seem exorbitant. This is because he calculates them in the same currency. If, however, he calculates them in terms of the rate at which paper rubles are circulated, the prices seem ridiculous. But he cannot profit from them because the importation of rubles into Soviet Russia is strictly forbidden.

III

The only way to understand the domestic value of the ruble is to compare the price of the same article of merchandise in gold rubles and paper rubles. Approximate estimates are easy. One has only to consult the two cards that are handed out in hotels when one is asked whether one wishes to pay in foreign exchange or rubles. In a general way, it can be estimated that prices in the open market last February showed that it required from 20 to 30 paper rubles to buy merchandise valued at one gold ruble. In other words, the purchasing power of the ruble is considerably less than that of the French franc because 20 or 30 rubles are needed to purchase what 13 French francs would buy. In the coöperatives, on the other hand, 3 to 5 rubles are enough to buy what a gold ruble would purchase, and this

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

gives a ruble spent in the coöperatives the buying power of from 3 to 5 French francs. The domestic buying power of the ruble is therefore considerably higher than its value in the 'Black Bourses' abroad, on which it sells for .35 French francs or about 40 paper rubles to one gold ruble.

But these rates are far from constant. The ruble depreciated domestically, especially between 1928 and 1933, while its rate of circulation increased. The result is constantly rising prices in the coöperatives as well as in the state stores and the open market. Thus, between 1932 and 1933, the price of a kilogramme of white bread rose from .25 to 1.10 rubles in the coöperatives and from 15 to 20 rubles in the open market. At the same time, wages increased but not proportionately. The average wages for manual laborers were fixed at 150 rubles a month in 1933 and for skilled workers at between 180 and 250 rubles. Taking account of the prices in the coöperatives and the necessity of buying some goods in the open market at higher prices, this meant that the people did not have much buying power since 100 rubles correspond to about 100 French francs in the open market.

Nevertheless, since 1933 these high prices have declined considerably. This decline was accompanied by a larger supply of food stuffs and manufactured goods. The rationing of bread ceased in 1934. In other words, the coupon that used to give the purchaser a limited ration at reduced prices was replaced by currency with which anyone could buy bread freely. The Government increased the number of bakeries and fixed a lower price than that in the open market, in other words, 1.2 rubles instead of 3 rubles for white bread. The decline had repercussions on all other food products. At the same time, the stores offered a greater abundance of manufactured products at lower prices.

IV

How did this decline occur at a time when the currency in circulation was still increasing? It arose from two important factors. First, the spread of collective farms in the country districts. While the struggle against individual property holders continued, the collectives pure and simple came to an end, and the peasants who belonged to the kolkhozes not only worked together but each individual was allowed to own a minimum of private property in the form of a garden, chickens, cows, and so forth.

In the second place, the Five-year Plan was completed. This was undertaken primarily to equip the country with means of production whereas the Second Five-year Plan, which has just been set in motion, pays more attention to consumers' goods. Thus, while the actual money in circulation continued to rise slightly, it served as a medium of exchange for a much larger mass of goods. The limitation of taxation in kind and the suppression of bread cards also increased the demand for money, and numerous transactions that used to be undertaken without money or at low prices entered into the process of normal exchange. All this led to a real deflation and tended to lower prices.

This, moreover, was the purpose of the Soviet authorities. They aimed to suppress gradually the disparity between the prices in the coöperatives and the prices in the open market so

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

as to do away with closed stores. This unification, moreover, was facilitated by the drop in prices and the abundance of goods. When it is complete, money will have recovered its normal rôle as a means of exchange and a uniform measure of value.

This evolution is logical. When production is barely able to supply the essential needs of existence, it is possible, and even necessary, for the Administration to organize distribution at a fixed price or even without the use of money. It is the system of war cards for civilians and rations for soldiers. But, when production improves and covers needs more complex than the immediate necessities of life, so rudimentary a system becomes impossible. When one can offer the public not only bread and meat but also phonographs and cameras, the choice of the consumer must find expression in one way or another so as to avoid giving the phonographs to the photography lover and vice versa. As the needs capable of being satisfied grow more numerous and complex, only the use of a general means of exchange, such as money, permits distribution without absurdity or waste. If only for this reason, it is evident that money is destined to play a rôle in Soviet life that will increase in proportion to the progress of the national economy.

Of course, a future suppression of money remains theoretically possible —when all desirable goods will be produced in such abundance that each one will have only to supply himself from an ever-renewed stock. The limitation that money imposes on human desires will have become superfluous. But this golden age, which presupposes an arbitrary limitation of needs, does not fall within the domain of immediate probabilities even in the U. S. S. R. Meanwhile, the directors of the State Bank, being practical people, are trying to give money its full usefulness not only as a means of exchange but also as a regulator of economy.

V

Soviet economic life is entirely dominated by the Plan. The Plan also dominates the budget, which controls all administrative activity. But the very system that has included in an immense budget (the so-called 'Financial Plan') both administrative activity and all the economic activity of the country, as well as a hodgepodge of all consumers' expenses, investments, and funds for rolling stock, finally produced 'extreme confusion,' as the Commissariat of Finance itself acknowledges. Thus, for several years real autonomy has been granted to different enterprises. These, in turn, pay taxes to the State, especially a heavy tax on the number of business transactions as well as a part of their profits. In return, they receive, through specialized banks, long-term loans necessary for their investments. The State Bank, just as all banks of issue, gives only short-term loans, which are also subordinate to the Plan. But —this is an essential point—they are granted only as the Plan progresses and with finished goods as collateral. If the credit is not paid back when it is due, the State Bank cannot, of course, put an enterprise that is itself an organ of the State into bankruptcy, but it sells the merchandise and thus preserves its solvency. Administrative sanctions against the directors who have defaulted take the place of

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

judiciary or commercial sanctions that defaulters incur in capitalist states.

It is obvious that the new economy of the U. S. S. R. uses the regulating rôle of money widely and tends to use it more and more. It has even created, to affirm this essential rôle and give it Soviet naturalization, a characteristic formula: 'The ruble must guarantee the control of the Plan.'

VI

The care with which Soviet authorities strengthen their metal reserves by all means at their disposal is no less interesting. In this connection, we should note the encouragement given to tourists, who bring stable currency with them, and the intensification of gold production within the country itself. Just as many other essential economic facts, the production of gold in the U. S. S. R. is considered a state secret, and definite figures are never published. But indications are given out with regard to the relative increase in production. According to evaluations made by foreign experts, it is generally thought that, whereas 16 tons a year were produced in 1928, gold production amounted to 40 tons in 1931, 80 tons in 1933, and 100 tons in 1934. The trade balance, moreover, which had become passive during the first Five-year Plan, became active again in 1933 and remained so in 1934. At the same time, imports, which are exclusively in the hands of the state, were reduced considerably.

It may therefore be predicted that Soviet authorities will continue, in the course of the next few years, to reconquer progressively their mastery of money, which was sacrificed, along with many other things, to the necessities of hasty industrialization, a process that was made possible by imposing requisitions on producers, rations on the consumers, and monetary depreciation on all involved. To-day the progress achieved is sufficient to warrant a period of consolidation, during which the standard of living will be raised. This consolidation is being carried on by greater production, deflation, and standardization of prices.

The buying power of the population is still very limited according to present rates, but we must take into account the considerable margin of progress inherent in a vast country that forms a closed economic unit, a country where the needs to be supplied are immense, a country that may apply, for a number of years to come, the most modern methods of mass production for all articles of current consumption without fear of overproduction—in short, a country that is a useful subject for meditation by other countries, which are engaged in a ruinous policy of restricting exchanges, maintaining prices artificially, and limiting production.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Persons and Personages

Alejandro Lerroux

By a Madrid Correspondent

Translated from the *Völkischer Beobachter*, Munich Official National-Socialist Daily

ALEJANDRO LERROUX, or 'Don Ale,' as he is popularly known, celebrated his seventy-first birthday on March 4 of this year. He himself explained on this occasion that more than fifty of those seventy-one years had been devoted to politics. He was first elected to Parliament thirty-five years ago as a representative of the Republican Union and for the past twenty-four years has been leader of the Radical Party that he founded.

The four years he has spent in the service of the Republic, to whose foundation he devoted half a century, he declared weighed on him more heavily than any other forty. What changes he has helped to promote during his long and varied career may be visualized from the fact that thirty years ago in Barcelona, when Ferrer unloosed the 'bloody week' of 1909, Lerroux delivered a speech violently hostile to the Church. Now, however, he is coöperating with the Popular-Action Party, whose programme is based on restoring to the Catholic Church the rights of which the 1931 constitution deprived it. The passage of time has made other politicians undergo equally important changes, but in Lerroux's case the impulsiveness of his Andalusian character adds color to his life.

During recent years, especially since the Spanish Revolution, many amazing developments of this kind have occurred. Numerous mayors of Andalusian towns have had no hesitation in joining first the Patriotic Union founded by General Primo de Rivera, then the Anarcho-syndicalist Confederación Nacional del Trabajo or the Anarchist Federación Anarquista Ibérica, and, more recently, the Catholic Popular-Action Party. This strange mentality does not mean that they have no opinions, rather it reflects their capacity to let themselves be influenced by sudden excitement, a tendency of which many Andalusians are proud. The number of Andalusians who have played political rôles has increased remarkably in the past hundred years.

Lerroux was born in the little Andalusian town of La Rambla in the province of Cordoba. His family, as his name shows, is of French origin. The first man of that name came to Spain during the rule of Philip V of Spain (1713–1746), the first Bourbon King, and served as a clerk in the royal palace. Nevertheless, in his external appearance, Alejandro Lerroux

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

does not make at all a typically Spanish impression. His father was a military veterinary, his grandfather was a doctor, and he therefore comes from the average middle class.

The career of the present Prime Minister was as adventurous in its early decades as most revolutionary careers are. First he worked as a writer, then as a collaborator, and finally as the editor and founder of a little Republican newspaper. In 1898 he came to Barcelona and joined the editorial staff of the *Publicidad*, which was appearing in Catalonian after the separatist uprising of October and has been suppressed by Lerroux himself. For about three decades Barcelona was Lerroux's real battleground of political activity.

Lerroux originally belonged to the Republican Union, which was founded by Salmerón, the last survivor of the first Spanish Republic of 1873 to 1874. When Salmerón founded the Solidaridad Catalana in 1906 and took his first step in the direction of separatism, Lerroux broke away, and, although his republicanism often verged on anarchism, he always remained a determined opponent of separatist adventures. Soon after 1906 he had to flee to France and Argentina, and then he founded the Radical Party in 1911, a few years after his return. He has remained its leader ever since. It would take too much time to relate all the details of his adventurous life, which has been punctuated by imprisonment and flights to foreign countries. In 1914 this Radical Republican was severely beaten on the frontier returning from France because he opposed neutrality and advocated the participation of Spain in the World War on the side of the Allies.

Lerroux has not retained the popularity he once enjoyed among the Catalonian workers. He was defeated in the November, 1932, elections to the newly created Catalonian parliament, and all his attempts to build a new political platform in Barcelona have thus far yielded nothing.

Lerroux participated in the well-known pact of San Sebastian, which was drawn up in August, 1930, for the purpose of overthrowing the monarchy, and he also joined the Provisional Government formed in April, 1931, under the auspices of the present President of the Republic, Alcalá Zamora. However, as a result of increasing difficulties with the Socialist Party and with Manuel Azaña, who, although he headed the independent Left-Republican faction, finally came to depend completely on the three Marxists in his cabinet, the Radicals moved over into the opposition, and for two years took no part in any Ministry. Lerroux's obstructionist tactics played a considerable part in dissolving the Cortes Constituentes in the autumn of 1933 and thus shattering the dangerous predominance of Marxism.

After the newly elected parliament assembled on December 8, 1933,

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Gil Robles began struggling for predominance under cover of a political coalition. Since then Lerroux has served as Prime Minister in every cabinet except the one that held office during the summer months of 1934, and then he was replaced by another member of the Radical Party, Samper, a Valencian lawyer. Nevertheless, Gil Robles remained decidedly the stronger man because he kept behind the scenes.

Lerroux has changed his political position as a result of changing party struggles and has survived the storms and adventures of fifty years. He can hardly be reproached if he has not remained exactly the same. His naïve personal arrogance and his natural conceit are the product of his Andalusian temperament. The capacity of this extraordinary man to conciliate others arises from his personal good nature, which is typically Andalusian, and his lack of revengeful spirit. Ever since Lerroux has been one of the men in whose hands the fate of the young Spanish Republic has rested, he has been a compromising and supple element and has remained one of the few individualists who have not thought solely of themselves and their own cliques but have considered the welfare and future of their fatherland.

Three Kings

By General Jan Christiaan Smuts

From the *Spectator*, London Conservative Weekly

I HAVE been greatly privileged in the kings I have known. There are three of them to whom I may briefly refer in this connection.

I came to know the King of Italy after the disaster of Caporetto. The War Cabinet deputed Mr. Lloyd George and myself to proceed to the Italian front and there on the spot to confer with the Italian and French Governments as to the best way to stabilize and stiffen that shattered front. I had myself been through occasions of national disaster before and knew the terrible symptoms only too well. But nothing in my experience could approach the breakdown in morale that met us in Italy. It was as if a mighty organization had been exploded and the fragments were scattering in all directions.

But there was one exception to this spirit of debacle in the King of Italy. He was calm, collected, good humored, and smiling amid the débris of his army and the collapse of his people. He was the one man in Italy who faced the situation without fear and without flinching. Small in stature, he appeared to me a giant in spirit in that awful horror. And the rapid restoration of Italian morale was not only due to the French and British divisions and guns that were pouring into Italy but almost

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

as much to the spirit of the King, who was every inch a King and was the inspiration of his people in that grave crisis.

Then I knew another King who, even in a truer sense, was the soul of his people—King Albert of the Belgians. Him I came to know in his headquarters in that small corner of his country that was still held by his little army on the western front. But for King Albert Belgium would not have been saved. His soul was the shield and the defense of his land and his people. There are leaders whose soul upbears a whole people, who are their inspiration and refuge in the storms that destroy nations. Such was King Albert—a great king, a greater human. What William of Orange was to his people in their agony, Albert of Belgium was to his in the Great War. The same people, the same sort of crisis, and the same sort of national leader.

And then there was a third King whose friendship I was privileged to receive in those mighty times—our own King George V. Of him one speaks with a deeper note. I was privileged to come quite close to him on several grave occasions in his reign—in the Great War and again thereafter when the Black-and-Tan terror was on Ireland. I have met many of the great leaders of our time, and, in spite of occasional gibes and sneers at the leadership of our day, I think not a few will stand out for all time and will increase in stature with the roll of the years. It has been my practice to watch them, not only as leaders but as simple humans. All true greatness ultimately reduces to quite simple terms of humanity. When the position is lost and the pomp and circumstance go, when the pose can no longer impose and there is only the native strength of soul left, you take the size of the man, and you assign to him his rank and place impartially among the great and the simple.

With the King one never has the sense of position, or pose, or pomp. The centre of the mightiest and most successful group that has ever existed in history, he himself is simplicity itself. He requires no adventitious aids or props and is content to be simply himself. And that simple self is compact of sheer humanness, which gives him a tact, a sympathy, an intuitive understanding of others that are his resources of strength. His humanness, his simple integrity, sincerity, and goodness inspire you with respect, devotion, and—I must add—affection as nothing else could.

I have said before, and I repeat here, that, among the men I have known, some of the best human beings have been kings. You may have to go far among presidents and dictators to find humans like them. There are, of course, others, too, but it has not been my misfortune to meet them.

When you find yourself in the tumult and the shouting of the Jubilee celebrations, when you see a wild hurricane of excitement and enthusi-

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

asm all around, remember that at the centre of this human storm is a King who is a simple human, natural, sincere, truthful, whose life is spent for his peoples and who has no thought of self. He embodies the simple ideals that are the real achievements of the race. He believes in good faith, sportsmanship, fair play, and all the other items of the true gentleman's code. He wields no thunderbolts, rattles no sword, and has a contempt for the vanities that lure others to their fate. And, as his reward, he has the loyalty and affection of his many peoples all over the world. His empire does not grow old or effete but rejuvenates itself with an ever-growing idealism. And the time-honored ideals of our race remain the undebased coinage of his realm.

God Save the King.

Lawrence as a Friend

By L. B. Namier

From the *Manchester Guardian*, Manchester Liberal Daily

I HAD a slight acquaintance with Lawrence in our undergraduate days but knew nothing about him. A day or two after war had been declared, he took me to a disused rifle range in North Oxford to practise shooting. I do not remember how I fell in with him that day, nor where he got the rifle, and it strikes me only now that this cannot have been his first visit to the range. With what plans or dreams had he been practising there?

After that for several years I heard nothing of him, for only when I met him in the lounge of the Hotel Majestic at the Paris Conference in a colonel's uniform did I realize that he was 'Lawrence of Arabia.' We do not easily credit our friends with anything surprising, or, inversely, extraordinary things surprise us in those we think we know.

It was in 1920, when I was at Balliol and he was at All Souls, that I came to know him. He was accessible and communicative, and there must be hundreds of people who have known him as well as I or better. He was retiring and yet craved to be seen, he was sincerely shy and naïvely exhibitionist. He had to rise above others and then humble himself, and in his self-inflicted humiliation demonstrate his superiority. It was a mysterious game that amused or puzzled some, annoyed or put off others. A deep cleavage in his own life lay at the root of it. I wonder whether he himself ever knew why he did it or, rather, had to do it.

One day in 1926 I met him at the gate of the British Museum in his private's uniform.

'Hullo, Lawrence.'

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

'Do you recognize me?'

'Of course.'

Then he said, 'The whole afternoon I have been walking about the museum where every attendant used to know me, and not a single one recognized me till I inquired about someone I missed. Then the man knew me.' Yes, what was the good of disguising if no one recognized him?

As a private he would ring at the door of a field marshal and ask the butler whether his Lordship was in. He was not. Would he lunch at home? Yes. 'Then tell his Lordship that Aircraftman Shaw will lunch with him.'

This game he had started long before he became a private. It was childish—a superficial ripple that people took too seriously or not seriously enough. He himself enjoyed it in a quaint, whimsical manner. It is distressing to think how such stories will fill books about him.

He was a man of genius, an immensely rich personality, a great artist, and a man who has suffered as few ever suffer. Had he been born on the fringe of a desert he would have become a prophet ('Go into the desert for a few years, and you will return a prophet. If you stay there too long, you will never speak again'). Had he lived in the Christian Middle Ages, he would have become a saint. He had the instincts and negations of both, without their faith, and under modern conditions had to turn it all into an incomprehensible joke. When I saw him last, in 1930, I showed him a passage in my forthcoming book and asked whether he objected. He did not. Here it is:—

'There are men who crave for mortification, *La mia allegrez e la maninconia*. But, unless this desire assumes a standardized religious form—hair-shirt or hermit's hut—and can be represented as a profitable bargain for another world, men dare not admit it, even to themselves. If proved beyond doubt, it is described as madness. Educated men may become monks but must not enlist as privates in the army.'

There was a deep negation of life in him—'it were better there was nought.' But he wished to believe that his mode of life was the result of his philosophy and not the other way round. 'Trees grew down by the river till they grew above its bank and saw the ruins of Troy, and they withered away.' It was this deep negation of life that drew him to the desert and next to the sterility of garrison life. Besides, there was the infinite capacity for suffering, and even the downright desire for it. He could bear any pain, outride the Arabs on a camel, do without sleep and food; at times, it would almost seem as if he had no physical existence. He was small but so well proportioned that, except by comparison, one hardly realized how undersized he was. He had sad, piercing eyes; his greatness was in them. He spoke in a low, soft voice. When he talked

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

seriously, people would listen spellbound. He had style in talking and style in every line he wrote.

One night, when I was with him, he brought in coal in a big sheet of brown paper and shoved it into the fire. The sheet caught fire. He was crouching by the fireplace and did not move an inch. He turned the blazing fringe upward, looked at it for a moment, and then quietly blew it out, starting each time from the outer end, as if he were licking the flap of an envelope. He had first considered whether he still needed the paper and next, at one glance, realized the strategical position, that flame travels quickest along the edge and by gently blowing it out towards the top you can stop it completely. I told him then and there that, if I survived him, I would tell that story. 'You know too much Dostoievski,' he replied.

He was a great novel reader; I am not. But one night, when I was bored, I asked him for a novel, a good novel. 'But there must be no love story in it. Do you know such a novel?'

He sat curled up in one of his big leather armchairs (he got them from a financier, whom he had saved from a wrong investment in the Middle East). He thought for a moment. Then his face lit up, and he pointed to a manuscript on the table. 'Yes, I know one. The Arab revolt. There is no love story in it, and that's why it succeeded. Take it.' I carried away a few chapters, but don't know to which book they belonged, the one that vanished at Didcot Railway Station (I can never quite swallow that story) or to *The Seven Pillars of Wisdom*.

THE thing that was wholly absent from Lawrence's mental make-up was a legal conception of fact or a mathematical idea of accuracy. He was fond of cubist paintings, and his statements sometimes partook of a cubist character. It was easy to arraign them on formal grounds, but, if probed, they would often be found to express the truth better than would a formally correct account. He never bothered or condescended to make his statements 'foolproof.' On one occasion he accused someone of having 'packed a delegation.' When afterward I repeated to him a passionate denunciation of what he had said, he replied, 'The man asked the delegation whether he might have some of his own witnesses, friends, present. He filled the room with them. These people do not understand these nice distinctions. It was like a football game on an Irish village green; soon the entire village is playing. The room was packed, and that sufficed. In fact, the man afterward boasted how clever he had been.'

Lawrence was not happy outside England. He loved the English countryside and was miserable when in 1926 he had to go with his regiment to India. He said he had finished with the East. He made the army his monastery. He wanted to be 'like a brown paper parcel' and have no

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

decisions to make. It was his penance. Some said that it was because the British Government had 'let down the Arabs.' This was nonsense. He never felt that way and, as adviser for Arab affairs to Mr. Churchill, had full scope for working further on their behalf. His penance was like that of the mediæval monks, cosmic rather than individual. 'For the sins of mankind' might have been the definition of a devout Roman Catholic, but he was neither a Catholic nor devout and kept no accounts with Heaven. Therefore, the thing appeared absurd, and he himself had to give it a bantering, comic turn. But the instincts, or 'complexes,' behind it were the same.

In the summer of 1930, when I was Political Secretary to the Jewish Agency for Palestine, I wanted to see and consult him. To secure a reply, I goaded him a bit and asked why he continued to call on friends who were lords and generals but not on 'ex-Private Namier.' He replied:—

338,171 A/C Shaw, R. A. F., Mount Batten, 15/7/30.

Dear Namier,

Lords and generals! They were long ago, I think—unless you mean the Plymouth ones, who see me (I am a local curio) when they come to Mount Batten.

I'm out of conceit with London this year. It costs too much to get there, and camp is home now. Outside the fences I feel exposed and lonely.

Yet, if you must see, so be it. Must I come up, or can you get traveling expenses in coming down here? Plymouth is a filthy hole, where man is vile, but the salt sea glorious. Take warning that I am eight years in the ranks now and by that much out of date in affairs. I read nothing, correspond with nobody, and meet no one concerned in the wide world. So I'm a blind man to ask a direction of. Yet, as I say, what I am is wholly at your disposal. I can get off any midday of a Saturday and am free till midnight of the Sunday. Here or there, yours ever,

T. E. Shaw

He widely differed from those who love the Arabs as a stick with which to beat the Jews and was therefore pro-Zionist. In the ensuing conversation, which I had with him on July 19, 1930, he said—I took down his words in shorthand and read them back to him afterward:—

'The problem of Zionism is the problem of the third generation. It is the grandsons of your immigrants who will make it succeed or fail, but the odds are so much in its favor that the experiment is worth backing, and I back it not because of the Jews but because a regenerated Palestine is going to raise the whole moral and material status of its Middle East neighbors.'

He was prepared to testify on behalf of Zionism to the Cabinet. I repeated at the time the offer to Mr. Malcolm MacDonald, but nothing came of it.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Among other things, Lawrence told me that day the story of the Cairo Conference of 1921 and how Transjordan had come to be separated from Palestine. I put down in a minute what I heard from him, and a funny story it was. Lawrence had a great sense of humor. But the time has not yet come to publish it, and I give here the bare gist of it.

THE decisions of the Cairo Conference were prepared by us in London, over dinner tables at the Ship Restaurant in Whitehall. It was decided to include Transjordan in Palestine, to make it indistinguishable from Palestine, and to open it to Jewish immigration. Every point was decided at Cairo, as originally settled in London, except the one about Transjordan. When the Conference met, Abdullah was marching from the Hejaz to Transjordan with a view to attacking the French in Syria. To stop him would have required troops and money. It was decided to negotiate with him.

There were three possibilities:—

1. To keep a British garrison in Transjordan.
2. To establish there a native state under British direction.
3. To let the French have it.

As the Cabinet was absolutely opposed to British troops being sent across the Jordan and money being spent on operations, the first possibility was ruled out. Abdullah could therefore be stopped by persuasion only. Had he gone on against Syria, the French, after having dealt with him there, could not have been stopped from occupying Transjordan, which had been used as a base against them. Therefore, the best solution was to have a 'British Abdullah' in Transjordan. The situation that had arisen in the spring of 1921 left no other choice.

'And we had to foot the bill,' I said.

'Yes,' he replied, 'you had to foot the bill. But it would have been no better if the French had taken Transjordan.'

And here are a few other scraps from that conversation:—

'If you had four hundred decent British policemen in Palestine, there would be no problem.' I asked whether that did not depend very much on who commanded them. He thought not. Policemen go about the country on their own and are not commanded.

About Ibn Saud, he said that he was the last protest of the desert against Europe. He was a great man but had no creative idea behind him. His work could not survive him. Such waves of reaction have come out of the interior of Arabia again and again.

Lawrence talked disparagingly about Pan-Islamism in politics. It is a fiction, and there is no more to it than there would be to a Pan-Christianity. There are at present at least nine caliphs. Every Mohammedan ruler who has the power compels his people to believe in him as

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

a caliph. The bogy of the caliphate was merely a weapon against the British Government and a means of self-aggrandizement, and its managers had to go lower and lower in that game. They started with the Sultan, next they tried the Emir of Afghanistan, now they might be capable of trying some mufti, but it is a game that leads nowhere.

The British Government knows little. When he wanted support for the Hejaz, he made them believe that it was a great thing to have the Sherif of Mecca on our side. But that was mere bluff.

He told me a great deal about the future of the Jews in Palestine and of British rule in the East. About the Mesopotamia rebellion he said that it was due to British administrators having become accustomed during the War to numerous battalions. Only when we learn again how to rule without soldiers shall we be safe.

He was amused at the stories of his having been the 'Uncrowned King of Arabia.' In reality, he had been careful to keep in the background and had usually given orders through Emir Feisul. Only a limited number of tribes knew and followed his person. Once a tribe sent to Feisul that there was a railway bridge that they wished to blow up in order to derail and loot a military train and that he should send them a 'Lawrence.' They thought that this was a craft.

I never saw him after 1930. When I once asked him why he did not come to see me, he wrote on October 12, 1932:—

'I came to London for a leave of a few days carrying your letter of September 6 in my pocket. I hoped . . . to see you. But the powers were unkind. I had many worries, which took most of my day energies, and, when the nights came, I walked up and down the crowds or looked at lights and listened to traffic as a refuge against seeing people.'

And, in a later letter: 'Sick of Plymouth . . . there is no place like London.'

The last letter that I ever received from him he concluded by saying about a friend: 'It is sad to see a big man in retirement and not knowing what to do. I wish we could all die in harness.'

KONRAD HENLEIN

By A PRAGUE CORRESPONDENT

Translated from the *Frankfurter Zeitung*, Frankfurt National Socialist Daily

WHO is Konrad Henlein? It is a curious fact that the man who occupied the centre of interest during the Czechoslovakian parliamentary election contest between the Sudeten German parties was known by name to only a very few people in Czechoslovakia and even in the

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Sudeten German districts. This fact arises from the circumstance that Henlein was a new man to politics when he decided to establish the Sudeten German Home Front in the autumn of 1933. This thirty-seven-year-old man, who is to-day the leader of the biggest German party abroad, which won the support of over a million Sudeten German voters, had nothing to do with politics until he reached the age of thirty-five.

The brief biographical sketches that have appeared about him in the literature of his movement show that he has had experience in comradeship, that he fought on the Italian front as a youthful Austrian officer before he was taken prisoner and seriously wounded. This experience in comradeship he never forgot, and it explains his whole subsequent development. Now experience in comradeship among the front-line fighters was one that innumerable young men of the same generation shared. As we know, it helped to form the ideas of young people in every country, but apart from this there is little about Henlein's personality that is remarkable. In the years after the War it made itself felt within sharply limited confines.

After returning home, Henlein became a clerk in Gablonz and then the leader of a gymnastic school in Reichenau. In 1925, after giving up his business job, he became gymnastic instructor of the Ascher Turnverein. His rise in the Sudeten German gymnastic world continued until he became head of the German Turnverein. This experience took the place of the usual struggle in the political arena that the average political leader undergoes, and his opponents have taken this as a reason to ridicule him. But neither his supporters nor his detractors are entirely just. In the country that originated the Sokol movement, the reorganization of the German Turnverein that Henlein carried through and that came to its climax in the great festival of 1933 in Saaz was certainly a national accomplishment in the Sudeten German sense and also a political act that the Czechs regarded with respect. It is therefore undeserving of ridicule. On the other hand, he could not have gained wide political experience although it took some skill to operate in the agitated framework of Sudeten German minority politics. His success at the polls bears witness to his practical ability.

This success was assured in advance and indicates that he knows how to gain popular loyalty. With the same devotion that his close little circle of former comrades felt toward him, hundreds of thousands are now recognizing him as the man who will save them from all their difficulties and rescue the lives of the Sudeten Germans. Although Henlein explains that he does not want to make any promises, he attacks the old Sudeten German parties, especially the Social Democrats and the Agrarians, 'the Red and Green Marxists,' and holds them responsible for the unemployment in northern Bohemia and for having failed to

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

keep their own promises to eliminate it. Nobody remembers, however, that Henlein's party would never have existed if the 'Green' Marxists and their Minister Spina had not protected it for months. But the question of what shall be done for the Sudeten Germans and what policies shall be followed always yields the same answer. Splinter parties cannot represent the national state as a strong capable spokesman. Only the popular community of all Sudeten Germans is capable of doing this, and Henlein's Sudeten German party, known as the Heimatfront, has now become their one representative and spokesman.

The words 'national community' have attracted an overwhelming number of Sudeten Germans to Henlein's ranks. But, because the other German parties have shown such a determination to maintain themselves at all costs, Henlein's supporters have aroused the deep distrust of the Czechs, who resent their demand for a totalitarian state because it comes from a political régime that is foreign and dangerous to a democratic state. Whether Henlein's attempts to unite the Sudeten Germans will ultimately be advantageous or the reverse will depend largely, if not entirely, on whether he can overcome this distrust of the Czechs, not only distrust of himself but distrust of the movement as a whole, and he can do this not merely by expressions of loyalty, of which he has given enough, but by constructive political labor of the most heroic kind.

This young, slender, tall man with the sharp bronzed face of an officer, whose eyeglasses give him the appearance of a militant theologian, this unexciting but gifted and assured public speaker, has impressed himself not only on his supporters but on people at a distance as a man with honest intentions and real concern for the Sudeten German cause. Whether he possesses ability in addition to desire, whether he has the real capacity to rise to the difficult task that he has set himself, the near future will show.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Our own celebration of King George's Silver Jubilee takes the form of two articles, one by Harold Nicolson, telling what an Englishman is and is not; the other by Rudyard Kipling in the form of a toast to his native land and a pox on all Communists and Hitlerites.

Gentlemen, the Empire

CELEBRATING THE SILVER JUBILEE

I. A TOAST

By RUDYARD KIPLING

From the *Saturday Review*, London Conservative Weekly

[*Here is a speech recently delivered by Mr. Kipling in London before the Royal Society of St. George when he proposed the toast of 'England and the English.'*]

I AM, unfortunately, a producer of fiction, but, outside office hours, I plead guilty to an interest in facts. Will you allow me just to run through a few facts, which may be of interest to our England of to-day?

First, let it be granted that when men are dead they cease to live, and, as Solomon says: 'Neither have they a portion any more forever in anything that is done under the sun.' Great Britain's quota of dead in the War was over 800,000 when the books were closed in 1921 or 1922. It would be within the mark to say that 750,000 of these were English. Furthermore, a large, but unknown, number died in the next few years from wounds or disease directly due to the War. There is a third category of men incapacitated from effort by the effects of shock, gassing, tubercle, and the like. These carry a high death rate because many of them burned out half a life's vitality in three or four years . . . They, too, have ceased to count.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

All these were men of average physique and, but that they died without issue, would have continued our race. The selective elimination of so many men of one type and their replacement by so many persons of another type and their children led to an extensive revision of all standards of English thought and action.

Now, there were a number of persons, who, for various motives, had dissociated themselves from the War at the outset. These, however, were all able to answer to their names at the close of the hostilities and to rejoin the national life with a clear field before them. Still, they were not happy. There is a necessity laid upon man to justify himself to himself in order that he may continue to live comfortably with himself. Our initial errors, as we all know, are trivial. It is what we say and do to prove to ourselves that our errors were really laborious virtues that build up the wholetime Hells of this life.

So it was in exact accord with human nature that, very shortly after the War, a theory should have sprung up that the War had been due to a sort of cosmic hallucination, which had infected the nations concerned with a sort of cosmic hysteria. This theory absolved those who had not interested themselves in the War and, by inference, condemned those who had, thus supplying comfort and moral support where needed. Naturally, the notion bore fruit. For this reason: most children and all nations, when they have hurt themselves, instinctively run indoors and ask to be told a pretty tale. So it was with us, and so, to us, too, a tale was told. (You may remember we were all a little fatigued at the time.)

The special virtue of our tale was that its moral bases were as inexpugnable as the most upright preceptress could desire. Here they are: all pain—whether it comes from hitting one's head against a table or from improvising a four years' war at four days' notice—is evil; all evil is wicked. And, since of all evils, war gives the most pain to the most people, wickedest of all things is war. Wherefore, unless people wish to be thought wicked, they must so order the national life that never again shall war in any form be possible.

Granted the first premise, the rest of the reasoning is unanswerable—on paper. But why the entire commination service should have been addressed by ourselves to ourselves is a little obscure. For, if ever there was a converted nation since the days of Saint Augustine, it was we.

II

A little later—on the heels, you might say, of Rachel mourning for her children—our electorate was enlarged by the enfranchisement of all English women over twenty-one. This gave renewed impetus to our national ideal of an ever-rising standard of living and the removal of want, discomfort, and the accidents of life from the lives of all our people. To this end we built up, and are now building, gigantic organizations to control and handle every detail of those lives. But, as I shall try to show, we chose not to provide that reasonable margin of external safety without which even the lowest standard of life cannot be maintained in this dangerously congested island.

The world outside England had

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

other preoccupations. Like ourselves, it had dealt—had been compelled to deal—with an opponent whose national life and ideals were based on a cult—a religion, as it now appears—of war, which exacted that all its nationals should be trained, at any cost, to endure, as well as to inflict, punishment. In this, our opponent was excusable. He had won his place in civilization by means of three well-planned wars waged within two generations. He had been checked somewhat in his fourth war, but, soon after the close of it,—in 1924 or 1925,—seemed to be preparing for a fifth campaign.

In this, also, our opponent was excusable. His path was made easy for him. Stride for stride with his progress toward his avowed goal, we toiled, as men toil after virtue, to cast away a half, and more than a half, of our defenses in all three elements and to limit the sources of their supply and renewal. This we did explicitly that we might set the rest of the world a good example. That the rest of the world—down to little, uneasy neutrals, who had seen what can happen to a neutral at a pinch—was openly or furtively trying to arm itself against whispered eventualities had nothing to do with our case. It was laid upon us to set the world an example, no matter at what risks. And we did.

For several years—more than ten, I believe—our responsible administrators dealt almost with complacency on the magnitude of the risks we were running and on our righteousness in running them, and through all those years our people were made to appear as if they loved to have it so.

But through all those irrecoverable years a large part of the world outside England had not been idle. To-day, state-controlled murder and torture, open and secret, within and outside the borders of a State; state-engineered famine, starvation, and slavery as requisite; state-imposed godlessness or state-prescribed paganism are commonplaces of domestic administration within States the aggregate area of which is between one-fifth and one-fourth of the total land surface of the eastern hemisphere.

These modern developments have been accepted in England without noticeable protest, even from quarters usually quick to protest. Nevertheless, the past year or so has given birth to the idea that our example of state-defended defenselessness has not borne much fruit and that we have walked far enough along the road that is paved with good intentions. It is now arranged that, in due time, we will take steps to remedy our more obvious deficiencies.

So far, good; but, if that time be not given to us, if the attack of the future is to be on the same swift 'all-in' lines as our opponents' domestic administrations, it is possible that, before we are aware, our country may have joined those submerged races of history who passed their children through fire to Moloch in order to win credit with their gods.

III

And yet, the genius of our race fights for us in the teeth of doctrine! The abiding springs of the English spirit are not of yesterday or the day before. They draw from the immemorial continuity of the nation's life under its own sovereigns. They are fed by a human relationship more in-

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

timate and more far-reaching than any the world has ever known. They make part of a mystery as unpurchasable as it is incommunicable. One has but to look back over the last century of our past to realize how that royal relationship set itself—through Mother, Son, and Grandson—to consolidate and prepare for our future and to meet the hazards of our present.

Three generations of our ruling house have accepted whatever burden of responsibility, whatever merciless demand for effort, whatever of personal risk, the honor or the needs of their people laid upon them. Each generation in turn has bowed the neck to unbroken sacrifice, devotion, and patience. These things are assuredly not exhibited for the sake of example only. But they have come, by cumulative weight of virtue and toil, to create, to stiffen, and to inspire the whole taken-for-granted fabric of sanity and silent discharge of duty, both in the Island and throughout our Empire, on which our destiny depends.

That—behind and beyond all—is our strength and hope. It is in that hope that I ask you to drink to England and the English.

II. What Is an Englishman?

By Harold Nicolson

From the *Listener*, Weekly Organ of the British Broadcasting Corporation

IT MAY be quite salutary, at this time of justifiable self-satisfaction, if we pause for a moment and try to see ourselves as others see us. Such an examination may even suggest to us that, if foreigners can indulge in such appalling misconceptions of the British character and of British policy, it is just possible that our own generalizations regarding France, Germany, and the United States may be equally fallacious. People are terribly apt to get other people wrong.

In order still further to restrict the area of my discussion I shall talk about England and the English only, since such a place and such people do, in fact, exist. I shall not talk about Scotland, Wales, Northern Ireland, or the British Dominions beyond the seas. I want to suggest to you the mental pictures that the average Frenchman, American, or German instinctively draws of the average Englishman. You will find that these several pictures are conflicting, unrecognizable, and very strange.

Yet what, in the first place, do I mean by 'mental picture'? I mean the sort of thought-shape evoked instinctively by the mention of the word 'Englishman.' When we ourselves hear the words 'Frenchman,' 'German,' or 'American,' we instinctively form a mental picture, which, though it may differ in details, is in the aggregate very much the same for most of us. The average Englishman, when he thinks of the average Frenchman, forms a mental picture of something short, and dark, and vivacious, dressed in black with dog-skin gloves. When he thinks of the average German he still, in spite of the new Germany, thinks of something bull-necked, beer-laden, wearing a green hat. When he

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

thinks of the average American, he pictures a lank, slow-voiced man in horn-rimmed spectacles, chewing a cigar. I want to suggest to you the counterpart of these instinctive but fallacious images and to describe the similar mental pictures that for the average American, German, or Frenchman are evoked by the thought of the average Englishman.

Before, however, I start explaining my picture gallery, it would be well to sketch the portrait of the Englishman as we see him ourselves. It is what is called a composite portrait, perhaps it might even be called a dissolving view. When I myself hear the word 'Englishman,' the instinctive portrait evoked is that, I regret to say, of Strube's little man. I see a small, kindly, bewildered, modest, obstinate, and very lovable little person armed with a bowler and an umbrella. Upon this first impression a more noble presentation imposes itself, and the contours of Strube's little man expand and strengthen into the firm, fine features of Mr. Stanley Baldwin. In some such outward semblance do I visualize the solidity, the good humor, the honesty, the inconsequence, and the indolence of our race.

II

Now when the average German thinks of the average Englishman he does not think of Mr. Baldwin in the very least. Still less does he think of Strube's little man. The mental picture that he forms is of someone rather like Mr. Jack Hulbert. He visualizes a tall, spare man, immaculately dressed in top hat and frock coat, wearing spats and an eyeglass, and gripping a short but aggressive pipe in an enormous jaw. Within this distinguished and obtrusive figure there lurk, for the German, qualities and defects that we should find it difficult to recognize as our own. To the German mind this immaculate figure is inspired by bitter jealousy of all foreign countries, by diabolical cunning, by ruthless materialism disguised under a revolting wrapper of unctuous self-righteousness. To him, the average Englishman is a clever and unscrupulous hypocrite; a man who, with superhuman ingenuity and foresight, is able in some miraculous manner to be always on the winning side; a person whose incompetence in business and salesmanship is balanced by an uncanny and unfair mastery of diplomatic wiles; a cold-blooded, prescient, ruthless opportunist; a calculating and conceited egoist; a cad with occasional instincts for that strange indulgence for which they have no word in their own language, and which they designate by our own expression, 'fair play.' Obviously there is a wide gulf between the German conception of an Englishman and Strube's little man.

To the average Frenchman the mental picture of the Englishman is generally subordinate to his mental picture of the Englishwoman. The latter is not a flattering portrait. It is the picture of a thin, rather weather-beaten, extremely ill-dressed old maid, clad in sensible check garments, and threatening taxi-drivers with a green umbrella. The French portrait of the Englishman is superimposed upon this unwelcome image. It is the picture of an inelegant, stupid, arrogant, and inarticulate person with an extremely red face. The French seem to mind our national complexion more than other

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

nations. It gets on their nerves. They attribute it to the overconsumption of ill-cooked meat. They are apt, for this reason, to regard us as barbarian and gross. Only at one point does the French picture coincide with the German picture. The French share with the Germans a conviction of our hypocrisy. The sole difference is that, whereas the Germans regard us as brilliant hypocrites, the French regard us as very stupid hypocrites. I shall refer again to this anomaly when I come to my conclusions.

To the average American, the average Englishman seems affected, patronizing, humorless, impolite, and funny. His mental picture is more akin to the German than to the French image. To him also the Englishman wears spats and carries an eyeglass; to him also he is slim and neatly dressed; yet the American, unlike the German, is not impressed by these elegancies; he considers them ridiculous; and thus, although he is frequently assured by his own politicians that the Englishman is, in fact, a cold-blooded imperialist who spends his time in jumping on the under-dog, he does not take these accusations very seriously. His mental picture of the Englishman, the amusement he derives from the English accent, the merriment aroused in him by the Oxford manner do not permit him to take the Englishman very seriously. To him we appear as slightly comic figures. I am aware that, psychologically speaking, the laughter that we arouse in the American breast is mainly due to their own pathetic self-consciousness and to a wholly misplaced sense of cultural inferiority; but I am not discussing complexes, I am merely discussing immediate and instinctive reactions, and I think it fortunate that we should be such figures of fun to the average American since otherwise the Englishman might easily become for the average American a source of dissatisfaction with himself; the presence of the spats and the eyeglass render him ridiculous and, as such, not deeply distasteful.

Furthermore, it is true that since 1930 the average American has somewhat revised the contemptuous merriment with which he was wont formerly to regard us; Americans now feel—since they are above all a kindly and a generous race—that we have an element of good sense in our character, which they wish they possessed themselves. The Americans are beginning to wonder whether we are all of us quite so stupid as we look. The French remain convinced that we are all of us far more stupid even than we appear. The Germans, in their pathetic inability to understand others, continue to believe that we are a race of brilliant and unscrupulous egoists.

III

Now surely it is very strange that such misconceptions should arise. Most of you would, I think, agree that the German, French, and American pictures of the average Englishman are very unlike the original. Most of you would agree that we are modest, good-humored, kindly, obstinate, unintellectual, decent people like Strube's little man. How comes it that our neighbors regard us as arrogant, conceited, calculating, and hypocritical?

The answer is, I think, that foreign observers have generally failed to notice two very curious constituents in our national character. They have

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

failed, in the first place, to observe that we are all extremely shy. The average Englishman is so afraid, so rightly afraid, of displaying his emotions that he hides behind a screen of habit. This screen of habit, which the French call *morgue* or *phlegme britannique*, is often mistaken for pride. The American is all too apt to suppose that an Englishman is being haughty or patronizing when that Englishman is really only feeling a sort of schoolboy embarrassment. The Frenchman is apt to imagine that we are being stupid when we are really only feeling puzzled as to what to say next. And the German interprets our reserve as a deliberate mask for the most sinister intentions.

In the second place, no foreigner understands how bad we are at thinking things out in advance. No decent Englishman really likes making long-distance plans. We thus proceed inch by inch and day by day solely by the light of instinct; seeing that our instincts are always sound, our procedure, though wasteful and clumsy, is in the end successful. But we generally end up somewhere quite different from where we started. Now no foreigner can credit us with this absolute lack of prearranged purpose. They insist on believing that we actually meant to go to the place where we arrived, and they thus accuse us of having concealed our intentions and our destination in a most hypocritical manner. They will not believe that our actions and our ideas always proceed on different planes. Thus, the French, who perceive the idiocy of our ideas, think us fools; whereas the Germans, who are mainly impressed by the success of our actions, regard us as diabolically cunning. Whereas each of them is convinced that we are the most self-righteous hypocrites in the whole history of civilization.

Yet you and I know that really we are not in the least like that. We know that we are patient, and good-humored, and very modest, and the least jealous race on earth. We know that we are bewildered, and muddle-headed, and decent, just as Strube's little man. May it not be that we also have similar misconceptions regarding the average German, or Frenchman, or American? May we not also underestimate, for instance, the actual idealism of the German, the serious high-mindedness of the Frenchman, the amazing warm-heartedness of the American? I think that we also are guilty of such lack of appreciation. People, I repeat, are very apt to get other people wrong.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Here are two diametrically opposed interpretations of Asia—the one purely material by a British Communist, the other an essay in spiritual history.

ASIA
Body *and* Soul

COMMUNIST AND
MYSTIC VIEWS

I. EXPLOITATION IN INDIA

By JOAN BEAUCHAMP

From the *Labour Monthly*, London Communist Monthly

AN ASSIDUOUS reading of the innumerable official reports on India that emanate from governmental or semi-governmental sources would lead one to believe that the solution of the problem of rural poverty was a Herculean task, which a little band of wholly disinterested Anglo-Indian officials was tackling day by day with enormous heroism, making a little headway here and there against the innate and indestructible ignorance and waywardness of the Indian peasant and achieving a steady progress on which they were greatly to be congratulated.

As soon as one begins to study in any detail the Government of India's own official statistics, this pretty picture fades away like the chimera it is, and one is amazed at the colossal hypocrisy of the compilers of the official reports, who, knowing full well the root causes of the poverty of the Indian peasant masses, write only of the minor effects arising from these causes and speak cheerfully of improvements that exist only in their own imaginations.

These government reports tell glibly of subdivision of holdings, debt burdens, deterioration of cattle, lack of science, insufficiency of irrigation, and peasant ignorance. But they keep silent about the government land monopoly, about the £25 million per

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

annum that is taken from the cultivators by the Government alone, without counting the further vast sums absorbed by landlords and middlemen, about the scandalous rates of interest charged by money-lenders, about the heavy taxes on articles of consumption, the water charges, and other local demands on the peasant economy.

The root cause of the ever-widening destitution of the Indian masses is to be found in the subjugation of India to the position of an agricultural colony under the control of British finance-capital. Under the stranglehold of British imperialism the industrial development of India has been so effectively held back that the census figures of the percentage of the population dependent on agriculture from 1891 to 1921 actually show a steady increase; and the latest figure, taken from the 1931 census, shows that 66 per cent of the population are now dependent on agriculture, as compared with 61 per cent in 1891. It is a fact not often understood that, in spite of the development of factory production during the war years (when Great Britain was no longer in a position to penalize Indian industry), the destruction of home industries was such that even the census figures of 1921 show a reduction, in the preceding ten years, of the total number of workers in industry from 17.5 millions to 15.7 millions, which was further reduced by 1931 to 15.4 millions.

While the pressure on agriculture has been substantially increased, the relative positions of the classes in the countryside have altered as a result of the intensification of the exploitation of the peasant cultivator. The landlord class—that is to say, those who live on agricultural rent without being themselves cultivators—has increased from 2.8 millions in 1911 to 3.3 millions in 1931. The number of cultivators, including owners and tenants, decreased from 71 millions in 1911 to 61.2 millions in 1931, while the number of landless peasants increased by roughly 10 millions in the last decade according to official census figures.

It is a favorite trick of the Anglo-Indian to talk as if the rate of increase of the Indian population were so great that the land and resources of India were insufficient adequately to support 'the teeming millions' rapidly springing up. This, of course, is a deliberate misrepresentation. Not only do the census figures over the last fifty years show that the percentage rate of increase of the Indian population has been more than 10 per cent lower than that of the population of England and Wales, but the rates of increase in the decades 1901 and 1921 respectively sank to less than a half and less than a quarter, respectively, of the lowest rate that has ever been known in this country.

That the land left over for the peasant cultivators, when the rapacity of the land monopolists has been satisfied, cannot yield them a subsistence leaves no room for doubt. The cultivated land in India is little over a third of the total area, but two-thirds is owned by the imperialists and landlords while tens of millions of peasants have to subsist on the other third. Agricultural statistics show that an additional quarter of the total area is 'culturable but not cultivated,' but in spite of this the cultivated area is not increasing at any appreciable rate, nor has the situation improved during the

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

last ten years, as the following figures show:—

AGRICULTURAL SURVEY

(In Millions of Acres)

	1922–1923	1932–1933
Total Area....	667	667
Not Available for Cultivation.....	152	145
Forests.....	85.5	88.4
Fallow.....	47	50.4
Culturable Waste.....	154	154
Sown Area....	224.9	228
Irrigated Area.	47.8	49.6

These figures show a stagnation in agriculture, and, when one looks at them more closely and considers also those for 1931–32, a definitely retrograde tendency is seen. Comparing 1931–32 with the following year, one finds that the same area, that is, 34 per cent of the whole, is cultivated, but in the latter year there was a 3-million-acre reduction in the area sown to food crops. Also, when one looks at the figures for rice, the staple food of the Indian masses, one finds not only a reduction in the acreage of last year's crop but a very substantial reduction in the yield per acre as compared with 1922–23. The yield per acre of wheat also fell considerably during the same period. Of the 88 million acres of forest one-half belongs to the Government while the rest is in the hands of the landlords and rich peasants, and the ordinary cultivator has to pay even for the use of such grazing as the forest lands afford for a short period of the year.

If the 278 million acres of cultivated and fallow lands were divided up equally among the landlords and peasants who live upon it, it would average at a little over 2½ acres per worker and landlord, but, as many of the landlords possess more than 50 acres of cultivated land, it can be seen how small a proportion is left for each peasant. The Report of the Royal Commission on Agriculture (1928) states:—

'The Punjab figures, which are the only ones available for a province, indicate that 22.5 per cent of the cultivators cultivate one acre or less; a further 15.4 per cent cultivate between one and 2½ acres; 17.9 per cent between 2½ and 5 acres, and 20.5 per cent between 5 and 10 acres. Except for Bombay, which would probably show a very similar result, and Burma, which would give higher averages, all other provinces have much smaller areas per cultivator.'

The agrarian crisis is rapidly worsening the already desperate condition of the Indian peasant. The catastrophic fall in the prices of the peasants' products, while the goods of general consumption, which he has to buy, have remained comparatively stable in price, has brought him to a disastrous position. The Government, as usual, has shown its utter disregard of the welfare of the population by increasing the burden of the land revenue at the very moment when the cultivator was least able to bear it. The result is that the cultivator is abandoned to the mercies of the money-lender, whose scandalous extortions have always been winked at by the Government.

Already in 1928 the Commission on Agriculture stated:—

'To an extremely great extent the Indian agriculturist does not work for profit or for a net return but for subsistence. The crowding of the people on the land, the lack of alternative

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

means of security of living, the difficulty of finding any avenue of escape, and the early age at which a man is burdened with dependents combine to force the cultivator to grow food wherever he can and on whatever terms he can. Where his land has passed into the possession of his creditor, no legislation will serve his need, no tenancy law will protect him; for food he needs land, and for land he must plead before a creditor, to whom he probably already owes more than the total value of the whole of his assets. That creditor is too often a landlord of a different class, who has no historical connection with the estate and is interested only in the immediate exploitation of the property in his control.'

If this was true in 1928, how much more devastatingly true is it in 1935, when the bottom has dropped out of the agrarian market, the fall in prices has vastly increased the burden of rural indebtedness, and the land revenue is £3 million higher than it was before the slump. The better-off peasants have tried to stave off ruin by selling their gold and silver ornaments, and by this means more than 2,000 million rupees have been drained from India during the crisis. But the ordinary peasant is unable to stand the strain of usurious rent, taxes, and interest, and millions of acres of land are passing from his hands to those of the money-lending shopkeepers and landlords.

The methods of the money-lenders are well described as follows:—

'The most important group of money-lenders consists of the village shopkeepers, who deal with small cultivators. They are generally grocers, drapers, brokers, and grain merchants, all rolled into one. They advance their goods and wares on credit to cultivators of their villages, and they also give cash loans. They generally accept the produce of the land in place of principal and interest. They have one way of calculating the value of the produce given by the cultivators and another way of determining the value of the goods sold to the cultivators. One of the settlement reports of a talukdar in Surat district says: "Food grain taken on credit has to be paid back 1½ maunds for every maund borrowed; for seeds, 2 maunds for every maund. Tobacco and other such articles are charged at 12 per cent above the market price; for example, a rupee's worth of tobacco is entered in the books as Rs. 1. 2. 0."'

Most of the Indian cultivators have to go on working year after year, hopelessly toiling for the creditors who have enslaved them, receiving out of their mortgaged harvest only the barest pittance to enable them to keep alive that the creditor may continue to wring profits out of their labor. These vampires are tacitly encouraged by the Government, and even the few laws to limit their extortions, which have been passed in response to popular clamor, are shamelessly admitted in government publications to have fallen into disuse or to have been 'completely ineffective.'

II

Nevertheless, from the point of view of both British and Indian capitalists, the ruin and expropriation of the peasants is not good business—a beggar is not a profitable customer, and this obvious fact is beginning to be forced home to the Indian bourgeois as he

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

sees his home market contract. The Annual Trade Report for the United Kingdom (1933–34), in accounting for the low level of exports to India, makes the following significant statement: 'The consuming capacity of the Indian people, both in urban and rural districts, was at its lowest ebb, and their purchases were confined to the barest necessities.'

In its 1933 report the Committee of the Bombay Millowners' Association says: 'The main factor that adversely affected both yarn and cloth was the low purchasing power of the masses, who have suffered from successive crop failures, coupled with low prices.'

On August 28, 1933, the Indian paper *Liberty* predicted that the time would soon come when the landlord would demand all that the cultivator grew and nothing would remain with which to pay taxes or buy factory goods. It continued: 'In Bengal we have apparently reached such a situation already. If a Bengal agriculturist still buys something, it is at the cost of the landlord. He has no surplus of money, and this means that Bengal is at the threshold of economic collapse.'

Pandit Jawaharlal Nehru told a representative of the United Press as long ago as September, 1933, that 'the agrarian system has already collapsed and the new organization of society is already inevitable.'

But what are Jawaharlal Nehru and the rest of the Congress supporters doing to bring about 'a new organization of society?' Is the village-industries scheme, which is supported by Congress, likely to bring about this new organization, or is it calculated to sidetrack rural discontent into a harmless backwater? Gandhi, with his village-industries movement, is fulfilling the prediction of Marx by performing the historical function of the lower middle class—'they are reactionary, for they are trying to make the wheels of history turn backward.'

But there are revolutionary elements among the Indian peasant masses, ground down as they have been throughout the ages by foreign invaders, rapacious landlords, and imperialists. A new agricultural proletariat is being built up out of the expropriated peasants, a proletariat inspired with the same spirit as that of the town proletariat, who are not so ignorant that they have not heard of the proletarian triumphs of Soviet Russia and Soviet China. The no-tax campaigns and the peasant risings against landlords and money-lenders that took place all over India in 1930–33 were put down by the Government with the greatest brutality, but the ever-increasing recurrence of similar 'incidents' indicates that the revolutionary ferment is working. In Madras, during last August, an incident, typical of many, was reported as follows:—

'Five persons were killed and five seriously injured when the police opened fire in self-defense on a riotous mob at Kithavadi, near Pollachi, Madras. The police were assisting the holder of a decree order to take possession of a debtor's land. A mob, armed with spears and sticks, assembled to prevent the execution of the decree and attacked the police party. Police reinforcements were summoned, and the mob was dispersed. This situation is now under control, but the incident is regarded as grave.'

It has always been said that the

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

British ruling class was sufficiently clever and flexible in its methods to know when it had gone too far and to draw back and make concessions in time. But is the Anglo-Indian type of exploiter quite as cunning? You can not drive 60 million peasant cultivators to the verge of desperation without encountering incidents that may be 'regarded as grave.' The complacent language of the official reports in the face of the collapse of the whole agrarian system of India does not lead one to admire the intelligence of the Indian Government. They are perhaps banking unduly on the division of classes among the peasants and their separation from the town proletariat. It will take time to forge a durable alliance between the industrial workers, the agricultural laborers, and the lower ranks of the peasants, but the rapid breakdown of the agrarian system and the enslavement of the peasantry are destroying the last barriers to the union. When the peasants realize that they, as well as the industrial workers, have nothing to lose but their chains, the day of reckoning will be at hand.

II. The Soul of Asia

By Professor Bernhard Heller

Translated from the *Pester Lloyd*, Budapest German-language Daily

BERTHOLD HATVANY has given us a very remarkable book entitled *Azsia lelke*, published in 1934 by the Franklin Press of Budapest. It is a work penetrated with spiritual qualities. It lives and breathes, it is a controversial document, an historical masterpiece, a self-portrait and a testament.

It is a Philippic against limited historical conceptions and half-baked historical learning. It is a history of the inner life of the Orient, of the Egyptians, Chinese, Indians, Iranians, Babylonians, Jews, Arabs, Scythians, Huns, Tatars, Mongols, Turks, Thibetans, and Japanese. The author explains to us how these nations were constructed and presents their customs and creative art from prehistoric times until the present or at least until yesterday—until conflicts occurred between Turks and Arabs, Greeks and Turks, Persians and Russians, Afghans and British, Japanese and Chinese.

He correctly states that to-day's history is politics, and that the politics of yesterday is history. He cannot help drawing from his own journeys to the four corners of the earth. Finally, he delivers to us a testament. Nothing leaves him unmoved. He cannot encounter anything crass without flying into a rage, but anything powerful or noble arouses his amazement and often his admiration. He does not hesitate to pass final judgments with the eager courage of a discoverer. He enters the lists in behalf of free conscience, liberalism, Hungary, faith, belief in God, belief in the Bible, and pure humanity.

Hatvany devotes his book to the service of one idea. He attacks an attitude of indifference toward Asia. He wants to extend our field of historic interest, to deepen our percep-

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

tions, and to display to us certain interrelationships and changes that are under way. He assumes the task that Voltaire set himself in his *Essai sur les mœurs et l'esprit des nations* and has written, first, a history of the human spirit, the 'soul' as he calls it; second, a history of customs and arts, not merely of wars; third, a history that is not confined to Europe.

Our author recalls with bitter disgust the hours he spent studying history in his fifth year at the secondary school. In the third week of that year the teachers and pupils both breathed more easily because they had at last finished with the insignificant, boring nations of the East. His book, on the other hand, is devoted almost exclusively to those periods of history that our educational system, following the German model, has virtually ignored. The students in the fifth class of all European secondary schools can define in chorus the differences between Doric, Ionic, and Corinthian columns. They remain, however, completely ignorant of the fact that the columns of the old empire in Egypt were the ancestors of the Doric style, that the Corinthian column developed from a column topped by palm leaves, whereas the origins of the Ionic column are to be found in Iran. Of the Persians, we are merely taught that they presumed to attack the uniquely holy Greeks. India is regarded as a fabulous country that Alexander of Macedon barely reached.

Hatvany admires the Acropolis, but it does not tell him why the bas-reliefs of Nineveh and Persepolis should not move him less. Two torsos from Harappa in India resemble the masterpieces of early Greek sculpture, which appeared three thousand years later. Hatvany regards the Taj Mahal, in which European art was represented through the work of Austin de Bordeaux, as 'the most superb marble miracle of all time.'

Essentially, Hatvany's book presents an inner history of the East. He maintains that the history of human culture dates from the discovery of the art of writing, although some historians might prefer to begin with the discovery of the wheel or of pottery. We learn that the art of writing had developed four thousand years before Christ in Elam, from which Persia originated, in Mesopotamia among the Sumerians, and in the Nile Valley. Elam is regarded as the cradle of the oldest human culture.

The foundations of our present twentieth century reach back to the twenty-first and twentieth pre-Christian century. In Mesopotamia Hammurabi laid down the old Sumerian laws, and he is considered a contemporary of Abraham. He thus created a system from which the historical families of Aryans and Semites emerged from Asia Minor into the light of history.

II

Hatvany places the high point of human development in the fifth and sixth century before Christ because at that time Greek thought was developing in Hellas and the Hebrew prophets were filled with the prophetic spirit. It was then that Jainism and Buddhism developed, it was then that Confucius flourished, it was then that the doctrines of Zoroaster originated and spread.

Confucius (552–479 B.C.) deliberately attacked mythology and the relationship between faith and human

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

morality. He believed in Shang Ti, the Lord of Heaven, and in the harmony of the universe. It was he who set down the golden rule not to do unto others what you do not wish done to yourself. Through rites, self-discipline, and love of one's neighbor man participates in the harmony of the world. Confucius's contemporary, Lao-Tsze, announced the doctrine of the Tao, the identification of the individual with the harmony of the world, whereas Mo-Ti advocated the anarchy of humanity that makes all laws and punishments superfluous.

Buddhism was spread through Jainism, which preached love of all living beings. Buddha (563–482 B.C.) expounded the doctrine of Aryan cosmic pessimism: to live means to suffer, and suffering is caused by sensual appetite. Nirvana, the state of not being, releases man from his sensual appetite. One achieves the bliss of Nirvana by right beliefs, determination, discussion, action, life, struggle, contemplation, profundity. Buddhism accommodates itself to every belief.

We do not know when or where Zoroaster lived, yet his influence on Buddhism, Christianity, and Islam was profound, and they all borrowed from him their belief in angels and demons. It was this Greco-Syrian influence that made Zoroaster's Mazdaism (*Mazdao* = the wise) develop into the Mithra religion of the Parthians.

Hatvany follows the development of Buddhism to Mahayana, the deep philosophic beliefs of which he holds in high esteem, and traces its penetration of China, Thibet, and Japan, where it was merged with the original cult of Shintoism. He finds Buddhism congenial. Christianity and Islam he evaluates with understanding esteem, and he gives us clear information concerning Jewish and Christian sects, Gnosticism, Manichæism, and the Nestorians.

A nation also reveals its character in its literature though not as profoundly as the nations of the East reveal themselves in their religions. Hatvany explores the creative art, the architecture, carving, and ceramics, especially the diminutive-scale plastic arts, of Japan and China. His book contains 246 splendid illustrations. He rightly asserts that we are more receptive to the artistic creations of the Far East than to its literature.

Hatvany's all-too-sharp judgments can be attacked, and his book contains a few minor errors. The distinction that he draws between revelation and prophecy seems vulnerable. Hatvany believes that the prophet is an unhappy invalid in a state of divine madness. This holds true only of the ancient precursors of the great prophets. He regards Ezra and Nehemiah as prophets although neither Judaism nor Christianity considers them as such. Thomas Aquinas was not the first man to say '*Credo quia absurdum*,' which goes back to Tertullian. It is most unlikely that Mohammed could not write; the statement is put forward merely to make his mission seem the more miraculous. It is by no means a generally accepted Islamic legend that Ishmael rather than Isaac should have been sacrificed. The most important scholars of the Koran were well posted on the Biblical narrative.

Students of the Far East will certainly find many points of disagreement. Yet the picture that Hatvany paints of the Orient is not only appealing, living, and brilliant; it is also true, picturesque, and instructive.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Hatvany expresses sharp and definite disagreement with Spengler by expressing his belief in eternal moral laws. Of all the rulers of ancient Egypt there is none to which his heart warms so much as to Amenophis IV, or Akhenaton, who, unlike his ancestors, refused to let himself be represented as a god and, in a superb hymn reminiscent of the Hundred and Fourth Psalm, celebrated the mighty creations of the Eternal. He could not persuade his own country to believe in a single God, but he himself was deeply pious. He did not want to shed any blood and allowed the Israelites to go to Canaan, which up to then had been under Egyptian rule.

In spite of all his esteem for Buddha, Confucius, and Zoroaster, Hatvany feels that they do not stand on the same plane with Moses, to whom he pays this warm tribute: 'I believe, as all believers in the West do, in the divine inspiration of the word of Mount Sinai.' He is not fair to the great prophets when he makes them the ancestors of the Sadducees, the dervishes, and the Quakers. He has a high opinion of Ezra and Nehemiah because they advocated freedom of religious belief and respect for conscience and learning.

Hatvany states that his hardest task was the part of the book dealing with the delicate Jewish question. He surveys the development of Judaism from the time when the Jewish state collapsed until the present. He recognizes two solutions. One of them is Zionism. Hatvany regards the pan-Arabian movement as something artificially trumped up and hopes that the Arabians will settle down with the Jews, to whom they are related, and create a single Palestinian people. His second solution is that the European Jew must make the intellectual attitude of the nation in which he lives his own. This is Hatvany's choice. He puts his own deeply rooted Judaism in the service of his equally deeply felt loyalty to Hungary.

He analyzes the Orient as an Hungarian Orientalist. In ancient Mesopotamia he is attracted to the Sumerians partly because they are sometimes regarded as the ancestors of the Hungarians. He does not share this view. The legend of Buddha interests him because it appears again in Hungarian legend. The penetration of the ancient Persians into Europe left few traces, but Transsylvania still remembers the wealth of Darius. Hatvany regards the Turkish-Hungarian War as a lamentable struggle between two brother nations, in which Islamic fanaticism came to grips with Hungarian heroism.

Hungarian writers and scholars are always highly esteemed. Kosztolányi he considers a superb translator of Chinese poetry. But he places Körösi Csoma, Aurel Stein, and Barát still higher, and, above them all, he puts Zoltán Takács, his own true friend and sponsor, his master and collaborator.

Hatvany shows that he is a serious scholar, a lively and fiery writer, and a gifted interpreter of eastern poetry. The special charm and value of his book reside in the fact that to him the highest good of the children of men resides in moral individuality. Not only does he view the world with open eyes, he passes judgment with a warm heart and a lively conscience. He revels in final judgments, with most of which we agree. Deep calls unto deep; and here the soul of Asia has found an echo in the soul of Europe.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

BOOKS ABROAD

MEMORANDUM D'UN EDITEUR. *By P.-V. Stock. Paris: Stock. 1935.*

(Pierre Bost in *Marianne*, Paris)

HISTORIANS of painting love to discuss art dealers. And the history of the theatre has to take its great directors into account. But, in the history of literature, little is said about publishers although writers need them as much as playwrights need directors and painters need art dealers. Works of art do not amount to much by themselves. Some one must make them visible, and in the history of the arts these 'demonstrators' have always played a leading rôle.

For a long time the demonstrators were Mæcenases, men of taste or men who pretended to have taste and helped artists to publish their works. The Mæcenas drew obvious pleasure and advantage from his indirect collaboration. People respected him, spoke of him, and he thereby strengthened his worldly position, but, after all, he made no money. On the contrary, he spent it. Furthermore, the art market changed when the consumers became more numerous. Professional go-betweens sprang up between them and the producers. The publisher, who made it possible for the public to read a particular book, continued to play the rôle of the Mæcenas, but he acted with a different intention. Since he hoped to make money and since the author cherished the same hope, we inevitably arrived at the commercial association of author and publisher that exists to-day.

It is impossible to say whether the author or the publisher is more valuable to the community. The one gives his work and his talent, the other his money and his abilities—four extremely variable elements. Of course, there are authors who think they are bestowing a great honor upon the publisher whom they authorize to print their books, and there are also publishers who look upon any sum of money paid out to a writer as a kind of charity. But, by and large, the relations between the two accomplices are more or less normal. That is to say, each of them tries, within the limits of current honesty, to give a little less than he should and to get a little more. And everything goes along very smoothly. Writers like to complain about their publishers although they conclude that they cannot get along without them. And the publishers, in speaking about their work, say that it would be extremely pleasant if there were no authors. These are the politenesses of good society, with a good fight or a bad lawsuit thrown in now and then on rare occasions. I once knew a publisher who took the following motto: 'The author: behold the enemy.' He was quite right. He was a good publisher and no more unkind to his authors than many another. For what is any associate but an indispensable enemy?

These thoughts occurred to me as I was reading P.-V. Stock's *Publisher's Memorandum*. For many years M. Stock directed the publishing house that still bears his name, and the memories that he relates to-day evoke

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

picturesquely the relations between authors and publishers at the end of the last century. The conditions then prevalent in the literary market, public taste, morals, and manners, were quite different from what they are to-day, and yet it is extraordinary that the life of a publishing house and especially the author-publisher relationship have changed so little.

IN THE first place, yesterday as to-day, authors thought of their publisher only to ask him for money. Some critics have said that M. Stock's book evokes an epoch when writers were much more disinterested than they are to-day and much more preoccupied with perfecting their work than with drawing up contracts, which were then called 'treaties.' But this does not seem striking to me.

In the first place, it is absolutely inaccurate to say that contemporary writers think only of money. Even those who are most skillful in defending their interests (and why should n't they be?) love their work and believe in it as much as their elders do. To say that the writers of to-day have lost their taste for literature is a facile, brilliant, and, one might almost say, an arbitrary deduction, which rests on nothing at all. And, if one wants to dwell on this issue, it would be more honest to address serious reproaches to the editors rather than to the writers.

Furthermore, the authors that M. Stock dealt with thought about their author's rights, the number of their editions, complained, schemed, and demanded advance payments with as much ardor as their successors. I do not say this with the intention of blaming them, and I must immediately add that their publisher conducted himself correctly and generously. But let no one praise overmuch the virtue of a past age. Literary passions and quarrels sometimes went as far as the dueling field. Very well, you will say. That showed a truly great attachment to *belles-lettres*. But we must not forget that the amiable Charles Monselet, an important dramatic critic, wrote his criticisms without going to the plays. Now that we have replaced a certain kind of ardor with a certain kind of honesty, the change is perhaps not all to the bad. At this point we should note in M. Stock a trait that is still common to all true publishers. They are not so anxious to sell an author's works as to attach the author firmly to themselves. But let us make no mistake. Publishers are not philanthropists, and they hope to make a good business deal. But they know that in order to do this they must risk something—that is to say, some money.

To-day as yesterday, the majority of authors receive more money from their publishers than the sale of their books brings in royalties. This disparity reached gigantic proportions immediately after the War when credit was in flower. To-day it has decreased, but it remains none the less true that an author in our present set-up is morally authorized to borrow money from his publisher on the sole guarantee of his own talent and his literary future. God help the publishers, you will say. But it seems that up to now they have not lost too much. And let us note that a publisher profits by 'buying' authors not only to publish their work but also to prevent his competitors from publishing them. Thus, the owner of a house buys the land that surrounds it even if he has

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

no use for it, so that no one else will be able to build there.

When the publisher binds authors to his chariot in this manner by chains or sausages, he knows that he is becoming involved with animals that are sometimes intractable. The case of Georges Darien is extremely picturesque. This ardent young man was not stupid, and he once wrote, in a fit of anger, 'My books are your property, for which you have not paid me and for which you will pay me only in proportion to the number of sales. In other words, it is your strict obligation to increase the number of sales.' But his letter is most interesting at the beginning: 'M. Stock, I received your card, and here is my answer. If you do not publish my novel next October, I shall kill you.' Good for him. Now I understand why they accuse us of being lukewarm. Those people had enthusiasm.

But their publisher had enthusiasm, too. When he was still very young, P.-V. Stock was put in charge of an important publishing house. He took his job seriously, for a publisher is not merely a printer. A large publishing house is almost always the point of departure or the meeting place of a particular literary group or something resembling one. Symbolism, the Parnassus group, naturalism had their publishers as well as their authors. Other literary groups, or simply 'groups of writers,' had them and still have them. A publisher may begin his career by chance. He can carry it out to a successful conclusion only by taste and judgment. M. Stock understood this rôle, which is not an easy one.

'At the beginning of my career as a publisher,' he confesses, 'I attempted to read all the manuscripts that were given or sent to me myself and aimed to discover young authors. In three years I found only one manuscript that satisfied me.'

Reading scripts is the most thankless task, and publishers to-day are quite right in giving up the idea of doing this job themselves, especially as some of them receive nearly a thousand manuscripts a year. But, whether the publisher himself reads or not, it is always the house that decides. And it is precisely the movement that grows up around a particular publisher, the interplay of relationships that are not yet commercial but human, schoolday bonds or simply ties of affinity and friendship, that constitute a real publishing house and that lay the foundations of a literary movement. M. Stock's correspondence with Louis Desprez shows that a publisher can be a friend and an adviser to his authors. With harsh frankness he criticizes a manuscript even in its details; elsewhere, he suggests changes or encourages a lazy author. In other words, he understood that his job was like that of a good editor-in-chief.

Perhaps contemporary authors would be less willing to accept this kind of direction. In those far-off times a man entered a literary career with some veneration for the elders who were still in it. The débutant submitted his manuscript to the masters, who formed a sort of permanent jury. From time to time one of these masters issued a resounding article to celebrate a first book by an author who immediately became illustrious. It was the equivalent of our literary prizes. Say what one may, our elders were full of attention and sympathy and more generous perhaps than we ourselves have been toward our juniors. But

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

there is no longer the same bond of succession between famous writers and beginners, and the word 'master' has fallen into disuse because it has lost all meaning.

Yes, literary customs have changed. Customs are always changing. It is the only thing they know how to do. But in the last fifty years the kitchen of the literary trade has not changed as much as one might expect. The true story of a large modern publishing house deserves to be written. It would not be a dull book, but those who are in a position to write it are still too close to the situation and the people.

M. Stock's *Memorandum* strikes a different level and illuminates the factory workshop that a book must cross on its way between the writer's desk and the bookdealer's shelf.

L'IDÉE SOCIALISTE. *By Henri de Man. Paris: Bernard Grasset. 1935.*

(Andrée Viénot in *Lumière*, Paris)

AN ALMOST too great richness of ideas; a meandering progress of thought, broken by long parentheses; and, in places, a philosophical terminology unfamiliar to the average French reader make the reading of this book rather arduous. And, in addition, the French translation, which has just appeared (the original was written in German shortly before Hitler came to power), is unhappily very bad: clumsy and often inexact.

This said, it should at once be stated that no one who feels concern for the evolution of contemporary socialist thought has any right to ignore a book that submits to a new examination the very foundations of that thought.

The subject? A study of the relations between ideas, on the one hand, and class interests, on the other; and more particularly of their relations in socialism.

One of de Man's fundamental notions is the distinction between the socialist movement and the socialist idea. The *movement*—masses and organizations—has for its motive power the interest of the proletariat, but it is the socialist *idea* that orientates it toward the end of social justice and realistic humanism. The idea, far from being a mere superstructure, has an independent existence. It cannot, however, be realized unless it is integrated with a movement of interests that will become its vehicle and accept its guidance.

A theory of cultural development is brought out to support this concept. This theory runs counter to the notion that customs and conventions are a reflection of the interests of the ruling class and asserts that true spiritual and cultural creation is autonomous and transcends class interests. This does not mean that the unfolding of a culture may be independent of its social setting. On the contrary, culture is at every moment the reply of the spirit to a condition produced by the development of the society that has brought it into being. Through all the vicissitudes of social and spiritual evolution, which condition one another reciprocally, humanity tends to realize ends that are inherent in it.

Thus, bourgeois culture, whose fruits are liberty, individual freedom, and humanism, has a universal significance for transcending class interests. And it is precisely the contradiction between bourgeois cultural values and the social reality of bourgeois capitalism—scornful as that capitalism is of

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the essentially human and destructive as it is of the liberty and the freedom of its proletariat—that engenders a spiritual conflict, which finds its dialectical solution in the socialist idea.

Socialism, recasting the spiritual values of bourgeois culture and relieving them of their element of hypocrisy, combines them with its own value of solidarity and fraternity. Thus 'it seems at one and the same time like the heir and the conqueror of bourgeois culture.' In like fashion, on the material plane, Marx has shown socialism to be the heir of the productive forces created by capitalism and the conqueror of the capitalist system of production.

The relations between the thought of de Man and that of Marx cannot be explained in a few phrases. In the close and, at the same time, variegated critique to which he submits the Marxist theory of the superstructure, de Man applies himself over and over again to direct quotations, quotations garnered especially from Marx's early writings. The real Marxist doctrine is above all critical and dynamic. In criticizing it in his turn and in taking it as the point of departure for his own thought, de Man proves himself a better disciple of Marx than the timorous orthodox commentators.

In a final chapter, de Man unites in a powerful synthesis his philosophic thought and his wide political experience, bringing his argument to the very threshold of action—of that action to which he has returned since 1934 as vice president of the Belgian Workers' Party and author of the *Plan du Travail*.

The final chapter, therefore, seems like the theoretic masonry of this plan (the text of which is printed in an appendix of the book). The liquidation of 'reformism'; the necessity, for the active proletariat, of maintaining its connections with the middle classes, on one side, and with the unemployed, on the other; the substitution, in place of vague and shadowy 'programmes,' of a plan constituting a formal promise of socialization, limited and immediately realizable; the maintenance of a free, unsocialized sector, comprising, besides independent producers (peasants, etc.), all those industries that are not monopolies—all these ideas are familiar to those who see in Belgian 'planning' one of the most important political experiments of our age. They will find in de Man's book the doctrinal justification of that experiment.

Let us close with a quotation that very accurately places de Man's action: 'In Europe, no passing from reformism to socialist revolution is possible unless it takes as its point of departure the workers' reformist movement such as, historically and in fact, it is.'

QUE MA JOIE DEMEURE. *By Jean Giono. Paris: Grasset. 1935.*

(Paul Nizan in *Monde*, Paris)

WHEN in *The Holy Family* Marx speaks about that 'joyless' girl, Flower of Mary, he writes, 'In the midst of nature, where the chains of bourgeois life are broken and where she can give a free rein to her nature, Flower of Mary is full of the joy of living and reveals a richness of feeling, a human joy before the beauty of nature that show that bourgeois living conditions have merely brushed the surface of her character and are nothing but a simple misfortune.' These words could serve as an introduction

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

to Giono's work, for a relationship is possible between man and nature, between man and the outside world, between man and himself. This relationship is beyond work, beyond the useful, beyond all shackles. It is the reconciliation of man with life; it is the only thing worth seeking. That is what Giono has never ceased repeating since his first compositions, and he says it again to-day on a larger scale, with a more exact consciousness of facts, and with a social outlook that commands our friendly attention.

The means at Giono's disposal are considerable. He is the only French novelist whose resources and technique arise not from the historical form of the novel but from poetry—lyric poetry, sometimes epic poetry, and more often cosmic poetry. This last variety is most apparent in *That My Joy May Remain*, the entire action of which takes place under the signs of the stars and the constellation of Orion. It is obvious that such a poetic conception involves a certain distortion of the outer world. This was even more evident in *Le Chant du Monde* but is still powerful here. Nor is it to be regretted. Of all the distortions to which every creator subjects his material, Giono prefers mythological distortion. His people and his animals, his trees and his valleys are larger than life. And then, suddenly, we see his hero, Bobi, appear, transformed by the fog, like a giant of the night and the sky, with tremendous arms. Nocturnal mist surrounds everything, and nothing interferes with our response to these mythical transpositions that seek to move us. The danger of myths begins in the sphere of intellectual research.

Peasants live on one of those plateaus that Giono loves and from the top of which one can see the world. In fact, he has entitled one of his books, *Manosque des plateaux*. His men are not gray characters. They work alone on their farms. Unrest and sadness, which they do not know by name, born of work and solitude, reign over their lives. Then a stranger arrives, an acrobat called Bobi, one of those men full of new receipts and secrets. He sets out to reveal joy to these solitary people, and joy turns out to be a disinterested love of the world, a taste for gratuitous works, a great luxury of heart.

Here are the two 'myths' of joy. Bobi persuades the peasants to do work that brings nothing, to raise deer, to plant fields with flowers, just for the pleasure of it. But is it a myth? In Soviet Tadjikistan I saw collective-farm workers planting a garden and an orchard for their pleasure. Bobi also teaches friendship, and in one of the most beautiful passages of the book these men and women discover the joy of communal living during a festival. The stranger even persuades them to hold all their land in common, and the day arrives when these farmers, these owners, pronounce the revolutionary word: they speak of their 'commune.'

Here we come in contact with a peasant writer, the greatest of all peasant writers to-day, who has reached a point at which he sees no alternative to criticizing private property and solitude, which is the sentimental misfortune that property engenders, and to sing of communal living—I was going to say of the collectivization of land, of Communism. But this is merely a stage along the road. Giono finishes his book on a note of defeat.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Bobi doubts himself. He departs, and on the road he is killed during a thunderstorm. Joy has passed away. It does not remain. Not yet.

This attempt at political 'Communism' fails. It fails as all utopias must fail, and it is here that Giono's position becomes clear. His plateau Communism is inspired more by primitive Communism than by the modern version. It has as its basis restricted cultivation of the soil. It does not like machines or the exchange of goods with the rest of the world, so much so that one day the men build a weaving loom themselves. A primitive domestic industry is created in the fields, and this loom of carved cedar wood would have gladdened the hearts of John Ruskin and William Morris. Behold æsthetic Communism: it goes no further than the poets, and this time Giono knows it.

His solution may have some value for a few isolated individuals along the plateaus of the Basses-Alpes, but it cannot be effective for the world at large. Giono describes the work going on in the great capitalist farms of the valley, those wheat factories full of machines, foremen, and bosses. He knows to-day that all the people who till the soil must find joy, all the farmers, all the agricultural workers in the plains, as well as the peasants on the high plateaus. He knows that all these problems will have to be solved at once and that it is not enough to create close to the sky a few small islands worthy of man.

THE whole meaning of the book is revealed in a dialogue between Bobi and a farmer, who explains the work that has to be done in order to change the world and create joy. For the first time Giono speaks with the voice of the revolution. We quote a few lines from the dialogue:—

'"No one can live without joy. Life is joy. The serious thing is that you are right. The serious thing is also that your joy is not substantial."

'"It is based on simplicity, on purity, on the ordinary things of the world."

'"It is animalistic."

'"We are animals."

'"Yes, tragic animals, for we make tools."

'"Then let us become . . ."

'"To become is to go forward, never to go back."'

Bobi tells his dream of simplicity, of restricted hours of labor, his desire to see men become once more the 'vagabonds of the world.' The man says to him, 'I have found what you are seeking. I have found the secret of joy.'

'"Everything is silent. Tell us quickly. We are listening."

'"I see immense fields, which pacify the plains and hills from one end to the other, just as oil calms the waves on the sea. Furrows lying edge to edge as if I had wrapped the whole earth in my corduroy vest. We shall not say any longer my trees, my wheat, my house; in speaking of all these things we shall say 'our.' We shall plan things so that the earth shall belong to man and not to Jean, Pierre, Jacques, or Paul. There will be no more barriers, no more hedges, no more fences. One furrow will be simply the beginning of another. All together, horses, plows, arms, shoulders thrust forward, all together and for the benefit of all. Work! Joy! The generosity that is joy! That is how the earth will be."'

And later: 'We must consider the

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

great mass of workers. Just think. You can go mad just imagining that we are millions and with powerful arms. A force . . .'

Giono has bidden farewell to poetic utopias and the efforts of solitary men, though he loved them dearly once. He tears his eyes away from a few lyric peasants lost on the high plateaus and remembers the millions of men who go hungry next to the wheat elevators. 'We must save all men, and we must accept the factories and love the machines. We must love the power of man.' All these things have a name in a country Giono salutes henceforth. It is called collectivization. And joy shall remain.

LES DAMNÉS DE LA TERRE. *By Henry Poulaille. Paris: Grasset. 1935.*

(Martin Maurice in *Lumière*, Paris)

LE PAIN QUOTIDIEN, to which this book is a sequel, showed us working-class life in the Vaugirard-Convention section of Paris at the turn of the century. In the present novel, we find the same characters and the same setting.

Events, however, have progressed. The action of the first book took place between 1900 and 1906. The present volume covers the years 1906 to 1910. Public life reflects obscure presentiments of the War, and these will suddenly and dramatically become clear-cut in 1911. The rise of syndicalism appears on the horizon of the proletarian world, and the first wide struggles in organized formation begin. Finally, all around the rue de la Convention the humble tragedies of daily bread run their prophetic course.

The story, with its free form, numerous minor characters, and disparate events, focuses on the Magneux family. After Magneux, the carpenter, recovers from a serious accident at work, he becomes once more the same companion, whose vigor, good sense, and pride are so attractive. This strong, militant character does n't mistake balloons for lanterns. Any kind of rhetoric or even simple, honest eloquence rubs him the wrong way. He embodies a revolutionary spirit in a thoughtful and realistic character. And it is not only in the working class that this type of man is a rarity.

Unfortunately, Magneux has overestimated his strength. He thinks he has completely recovered from his accident, but an insidious illness fells him, an incurable lesion of the kidneys, which, after a year in the hospital, sends him to his grave. The widow tries to support her children by caning chairs, an heroic struggle from which tuberculosis inevitably delivers her. One of the orphans is adopted by an uncle, the other is sent to an orphanage. Only Louis Magneux, called Loulou, is left to his own resources. He is already a man. He is thirteen years old.

For some time previously we expected that he was destined to become the centre of the story. He is a precocious child with wide-open eyes. A passionate reader, wanting to understand everything, courageous and frank, he began at an early age to struggle with his destiny. Shortly before his mother's death, and in order to help her, he decided to work, in the most sinister sense of the word, and earn a salary. He found a job in a pharmacy for thirty francs a month and had to run errands, clean jars and tubes, and wash the storefront.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

At the end of the book his future seems completely uncertain. He has no family, and he would have no place to live if his employer did not let him sleep in a storeroom.

The author has outlined the social struggles of the period around the Magneuxes, their friends, and the inhabitants in that section of Paris. In a precise picture of documentary exactitude, which does not lack even references, we find such events as the unrest among the winegrowers of the south in 1907, the execution of Ferrer in 1909, and the railway strike in 1910. Certain names quoted on this occasion make the 1935 reader turn to rather bitter thoughts on what we politely call the relativity of political convictions.

Perhaps these historical interludes are only vaguely connected with the immediate daily life of the Vaugirard quarter and its inhabitants. But they project their flame and, in any case, exert a decisive influence on the character of Loulou Magneux.

As for the details of working-class life, which is so difficult to paint from the outside, especially if one does not consciously blacken the physical aspect and whitewash the moral aspect, we are beginning to produce to-day certain books worthy of attention and far more persuasive than abstract controversy on proletarian literature. M. Henry Poulaille's novels stand out for their documentation, perhaps we should say their experience, the abundance and the freshness of which seem above the average. His workers really form a class, and it would be misrepresenting his thought to suggest the contrary. But the characteristics of this class do not obliterate the traits peculiar to the individuals that compose it. Though they unquestionably remain proletarians, they are men, each one different from his neighbor. It is instructive and amusing to find, 'under the rough outer skin,' feelings and attitudes that closely resemble those we observe in a certain other class. Kindness, cruelty, intelligence, and stupidity are categories more ancient than bourgeoisie or proletariat, and they have a few chances to survive.

GOLD. *By L. Zavadovski. Voronezh: Voronezh Regional Publishing House. 1935.*

(S. Levman in the *Literaturnaia Gazeta*, Moscow)

JACK LONDON created a legend about the country of the great silences, the fantastic Klondike, where lonely virile people conquer the ice-cold wasteland and assert their power over nature. These seekers after gold, these fearless drivers of dog teams, these adventurers in search of new exploits were men who had shaken the dust of urban civilization from their feet.

Jack London was in Alaska and could have told the whole truth about this 'northern Eldorado.' He could have told how these men acquired wealth. He could have spoken about the activities of speculators, about the ruin of thousands of prospectors, whose gold flowed into the hands of financial sharpers, about the destruction of the Indians by means of gunpowder and alcohol. But Jack London did not write the story of Alaska. He wrote its legend and made it symbolize his dream of a hero, for whom the search after gold is not an end in itself but a way of expressing all the wealth and power of his noble nature.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The Klondike is merely a writer's dream of a new and wonderful country.

Yet Jack London's talent was so great that many of his heroes, for all their romantic unreality, captivate our imaginations and come to life in our memories each time we take up a book about gold prospectors and the struggle of man against northern wastelands. There is not a single book dealing with gold prospectors in northern lands that is entirely free from Jack London's influence.

In Zavadovski's work, the American writer's influence made itself evident long ago. His story, 'The Song of the Gray Wolf,' which appeared in a collection published under that name in 1927, is a straight imitation of London's work and describes the struggle between a man and a wolf, both of whom display extraordinary powers of resistance. Jack London's heroes appear in many other of Zavadovski's stories. We meet them in the collection entitled *Enmity*, and they come to life in the stories 'The Iron Ring,' 'Tungus,' and 'The Traveler.' The similarity here goes beyond mere likeness in theme, for Zavadovski was actually under the influence of Jack London's romanticism. That is why we naturally expected that in his latest novel, *Gold*, the author would attempt to retell the Klondike novels and stories simply by changing the name of John to Ivan and substituting a Russian wanderer for the international prospector in London's stories.

BUT our fears were not justified. Zavadovski's new novel shows tremendous progress. In so far as we are able to judge, Zavadovski tried to show up Klondike romanticism; gold prospecting in Soviet Siberia provided him with extraordinarily rich material.

The action begins in the Lena gold fields when the Soviet Government decided to hand them over as a concession to an English firm because it did not have means at its disposal to develop its gold industry. Zavadovski gives a brilliant picture of the neglected state of these fields and of the moods and sentiments of the workers. George Solomatin expresses these moods. He is an all-around good fellow, a drunkard and a hero, ready to go to the end of the world in his search for gold and a gay, 'beautiful' life. He does not like the concession arrangement because the new bosses will not let him steal gold by working in secret places, the so-called 'chancels.' George is a typical adventurer of the old school, depending only on his own luck, an individualist obeying his own laws and the customs of a prospector's life, but violently protesting against any kind of interference from an outside party.

In the character of George the author shows up his former hero. He removes the romantic halo that literature has placed about the lone adventurer and with unflinching realism shows where this thirst for conquest and this anarchistic philosophy lead. George's bad qualities stand out in contrast to the background of new working and living conditions that the Soviet Power creates even in these far-off regions.

But, whereas George Solomatin is introduced to show up Klondike romanticism, Mishka Kosolapi, a young worker in the gold fields, prevails over this petty-bourgeois romanticism. Mishka is a rank-and-file worker. In

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the beginning he is no different from hundreds and thousands of others. He steals gold from the 'chancels,' plunders along with the others, quits Bodaibo, and hates the discipline of the concession holders. Then he goes to Aldan.

Mishka does not sink to the bottom. For a multitude of reasons he finds the right way. He comes to the conclusion that the mad rush after gold makes thousands of people starve and lose their humanity completely. His love for Motka, whom the terrible life of the gold fields has brought to prostitution and her death at the hands of one of the prospectors, who regards her as his own property, compels Mishka to reconsider his ideas of man and happiness.

He dreams of creating decent living conditions for the thousands of prospectors and decides that these men must become workers who toil not only for themselves but for the common good. His contact with a few Communists working in Aldan puts Mishka on the right path, and he becomes an active social organizer. He transforms himself and dreams of transforming those around him. The healthy, creative romanticism of Soviet construction takes the place of the rotten romanticism of the individualist prospector.

The transformation of another worker, Mikhailov, is far less convincing. His change from a typical prospector into a conscious Communist, the editor of a paper and the active builder of the new life, occurs somewhere backstage. The figure of the restless Lydia, the wife of the superintendent, who serves the old order heart and soul, is one of the most curious in the book.

L. Zavadovski is a serious, thoughtful writer. His realistic style shows a calm restraint that is expressed in the rhythm of the narrative, in his refusal to exploit melodramatic situations, in his scorn for all extraneous, purely decorative, and exotic details. At times the author is almost too restrained and even cold, as though he were afraid to tell his story and to reveal all that he knows about people. This restraint is evident in the author's language, and at times it appears excessive. But perhaps this, too, is a reaction against Jack London's passion for the picturesque. On the other hand, such coldness does not always serve the desired end. Zavadovski's characters, unlike Jack London's, appear weak and lacking in personality. The superintendent of the Aldan gold fields and Mikhailov fall into this category; they simply do not come to life. Is there not sufficient heroism in the work of Soviet people in far-away Aldan? Are there not enough examples of high manliness and devotion to the Party's work for socialism? Is there not enough proletarian heroism in the daily life of our great country? Zavadovski's extraordinary miserliness weakens the effectiveness of the artistic instrument in his hands.

Aldan has entered the lists against the Klondike. The Soviet system of organizing labor, creating a new socialist society, has entered the lists against the Klondike system, based on plunder, the exploitation of the weak by the strong, the thirst for personal wealth and personal freedom, and, in spite of the Klondike's struggle, in spite of its traditions and its survivors, Soviet Aldan has already won the first round. That is the theme

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

of Zavadovski's novel, which we must recognize as an obviously successful work.

JAPAN ALS WELTINDUSTRIEMACHT. *By Ernst Schultze. Two Volumes. Stuttgart: W. Kohlhammer. 1935.*

(Wilhelm Renner in the *Berliner Tageblatt*)

IN ONLY eighty years of contact with the rest of the world, Japan has pushed herself forward at a mad pace from commercial and political insignificance to a position in the front rank of Great Powers. The decisive developments in this process have been concentrated in the decade following the great earthquake of 1923. The relative and absolute divergence between Japan's development and that of the other commercial Powers was the more clearly defined in this period because the sharp rising curve of the Japanese contrasted sharply with the precipitous decline of the rest of the world.

In appraising Schultze's attempt to deal thoroughly with the problem of *Japan as a World Industrial Power*, it is well to bear these circumstances in mind. It is well, too, to remember the lack of information on Japan's social and socio-economic development and the numerous contradictions, even on decisive problems, in the sources that do exist. On the question of trade unions, for instance, the pertinent literature lists every sort of 'source,' from detailed tables showing how the unions are organized to sweeping denials that they exist. Schultze's work as a specialist over a period of more than thirty years, when he made himself familiar with the whole complex of Japanese civilization, has admirably equipped him to sift the sources, organize the facts thoughtfully and methodically, and bring his treatment of particular issues down to 1934. Thus he has produced a really authoritative work, the appearance of which in 1935 should be propitious—the more so because Japan's rise to commercial importance in the world seems to have reached a temporary halting-place.

Schultze has organized the weighty material in his book with care. In the first volume he outlines the history, geography, ethnography, and commercial organization of Japan, and in the second volume he deals at length with the special difficulties Japan encountered and conquered as she overcame her original mercantile handicaps with a vigorous export offensive and became a commercial world power. In the last two parts of the second volume Japan's sources of strength and weakness and her prospects for the future undergo detailed analysis. Thanks to this arrangement, the book performs two equally fundamental tasks: it gives a lively and comprehensive picture of one of the most significant political developments in modern times, and it provides as rich a mine of information as the inquiring politician, business man, or scholar can require.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

LETTERS AND THE ARTS

Futurist Fun

AT WHAT might seem an inopportune moment—now that Paris shop windows are displaying hideous gas-mask outfits instead of the models of Lanvin and Chanel—the perennial Marinetti has drawn up a list of new pleasures for mankind. The father of futurism has been saddened by the fact that money to-day buys only the narrow joys of alcohol and cocaine, and he has therefore invented a whole set of spiritual, sensory, and athletic diversions, all of which are called Latin pleasures and must be enjoyed with 'force and beauty, according to the elastic laws of the Mediterranean.'

For instance, the spirit of man may be beguiled by a theatre fitted with swinging hammocks, in which the spectator sways 'with the soul of a child and an awareness of stars' while he watches a film of the play projected on a screen above his head. After the show he can return to a 'surprise' hotel, visited by mysterious, nocturnal airplanes, where he may go to sleep in one room and awake in another on the other side of the world. For the body, Marinetti suggests the pleasure of 'near distance,' thanks to a special kind of spectacles that will make the pedestrian always feel he has just arrived at an unattainable goal.

Some of Marinetti's ideas seem quite Victorian, if not actually rustic. 'Travel in the home,' which involves furnishing one's rooms with the colors, forms, perfumes, and temperatures of all lands and climates, recalls the Turkish sitting-rooms and curio cabinets of the Great Era, and his idea of a musical griffin with jaws that can be adjusted to emit the sound of a running brook, a river, or a sea would certainly have found its place between the stereoscope and the conchs.

But perhaps Marinetti is really crusading for the simple life. He reverts to that unlamented 'pleasure of laughing when someone falls' and proposes divans and chairs made of hollow cardboard. And what seems to us the lowest common denominator of human joy is found in his Latin Pleasure for the Spirit, Number Three, which is 'to produce the illusion of misfortune, which, when subsequently dissipated, gives way to happiness.' One cannot help recalling the words of an old popular song, 'I like to hit myself on the head with a hammer because it feels so good when I stop.'

A House of All Nations

A JAPANESE with a flair for centralization has made a discovery in metaphysical architecture that should revive the Tower of Babel in our own times. He conceived the idea of a single house large enough to accommodate the entire human race, and it is with the deepest humility that we quote the following unimpressive figures.

The house would be 312 metres high,—about 1,024 feet,—or 23 feet lower than the Chrysler Building. It would, however, cover an area of 169 square kilometres and would have 102 floors (the same number as the Empire State Building) with 2,900 stairways and 60 kilometres of corridors.

Because all people would be living together, international war would cease. The danger of civil war, however, would increase by leaps and bounds. We leave it to the resourceful reader to list all possible causes of dissension among the two billion individuals who compose the human race.

The commuting problem would immediately assume tremendous proportions. Let us assume that our House of All Nations (so named because the time-honored institution by that name now located in Paris will have ceased to exist)

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

is built on some elevated Thibetan plateau. The man working in Osaka will have but a short distance to travel; his neighbor, however, whose calling takes him to the Pennsylvania coal fields, will have to get up very early in the morning to take the shell that will hurl him directly to Wilkes-Barre. This is not, of course, an unsurmountable difficulty, as almost any scientist will confirm.

More serious difficulties may arise, as the *Journal de Genève* points out. For who can guarantee that in the absence of a human aggressor some ingenious chemist will not try to devise a ray to protect us against the mythical man in the moon? And who can guarantee that, in so doing, he will not accidentally blow up the whole establishment? But this thought leads directly to the domain that is sacred to Aldous Huxley, H. G. Wells, and Bernard Shaw. We shall not intrude.

The Right to Write

ANDRÉ THÉRIVE, writing in *Marianne*, draws our attention to a literary quarrel that has been smouldering for five or six years and that burst into open flame over the populist literary prize. Henry Poulaille, author of *Le Pain Quotidien* and *Les Damnés de la terre*, who is regarded as one of the foremost proletarian writers in France to-day, wrote an open letter to the papers, saying that he was not a candidate for the prize and that he would, Cæsar-like, reject it if it were pressed upon him. Whereupon Mme Antonine Coullet-Tessier, founder of the prize, replied that no one 'had even thought of doing violence to M. Poulaille's modesty.' The public showed its amusement, and Léon Lemonnier, who published in the *Œuvre* his first populist manifesto, offered a truce between the populist and proletarian writers. But the troubled waters remained troubled.

The differences between the two groups are social rather than literary. The proletarian writers attack the populist writers, not the populist novels. Sure of their literary merits, the populists attack no one, and M. Thérive's dignified article in *Marianne* is no more than an attempt to clarify the issues involved.

According to M. Thérive's definition, populism originally meant 'the tendency common to all writers who wished to portray life and customs with exactitude and without deliberately omitting the menial side of life, as so many moralists and psychologists do.' The realists and naturalists of the last century were also populists according to this definition.

But when populism was revived about 1929 it acquired a class character that the foregoing definition omits. Populism, as the name implies, became confined to novels dealing with the daily life of a particular class—the working class and, by association, the petty bourgeoisie. André Thérive includes Duhamel and Jules Romains among the contemporary populist writers.

The proletarian writers, however, have ostracized the populists and declared them illegal on the ground that a man born into the bourgeoisie has no right to use the working class for literary purposes and that, if he does so, he is defrauding the working class of life-material that is specifically its own. In other words, the quarrel of the proletarian writers with the populists is less concerned with the written novel than with the writer and 'his right to write.'

André Thérive is quick to point out the disastrous consequences of this ideology:—

'It's exactly as if the Galician Jews were to say, "The plague take the Tharaud brothers! They're not from our country, and they have no right to come around observing us."

'Does it sound like a joke? It is n't at all. I could quote an article published in *Commune* about some book describing rural life, in which M. Aragon declares: "This bourgeois writer has the nerve to rob the peasants of their peasant-forms just as the exploiters steal their wheat and

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

their flour . . ." With such principles one could go far. One would be condemned to remain ignorant not only of all classes but one's own, but of all professions, even of all families. In fact, a writer would be permitted to know no other writers. Each man would hold as his exclusive property the literary theme that he represents and that, in former times, he was supposed to give to the world at large. I recall a movie actor who sued a newspaper photographer for taking his picture. Once we grant that our person belongs only to ourselves,—body, soul, activity,—literature, and also society, will come to an end.

'Whatever the "proletarians" may say, the truth is that the working class is not yet interested in literature and that, once this interest is aroused, it will not be satisfied with its own productions. The contrary would be terrible. For have you seen those horrible social and pornographic dramas, made to order for a working-class public, that play to a full house in the Belleville, Gobelins, and Bastille sections of the city? It's heartbreaking; and the intellectuals are guilty of confining the masses to pleasures of this sort. Yet here they are, among themselves. The actors are not bourgeois; they are n't even populists. The secession is already complete. And, if the proletarian writers want to continue it, it will be a work—let us say so plainly—in obscurantism. Can you conceive of the working class condemned to look at nothing but proletarian painting, to listen to nothing but proletarian music? I am afraid that the dime novels that are being sold on street corners will not, of their own powers, produce real lyricism or real literature.'

At this point we feel obliged to say something about the proletarian writers' claim against the populists. The reason—which M. Thérive does not mention—why they maintain that bourgeois writers are not justified in writing about the proletariat goes deeper than class origin; they feel that bourgeois writers will never portray the working class as it should be portrayed. They exclude them because they consider them incapable of doing a good job. The reason for their incapacity is their bourgeois background; the reason for their exclusion is their incapacity. This is a point that M. Thérive overlooks. The question remains, however, is it a good point?

The Legend of the Mullah

WE TRANSLATE the following Soviet folk story as it was written down by A. Konchevski during his stay in Saraila-Klat, a Crimean village. A *mullah*, by the way, is a teacher in a Mohammedan religious school, a *medresseh*:—

Mullah Asan Effendi lived in the Crimea, and he lived well. He could n't complain. All around him there were respect, honor, gardens, vineyards, sheep, and money. Allah sent the Mullah two sons, Murat and Idris. The Mullah ordered a big feast when Murat was born and wrote his name in the book. But when Idris was born the Mullah ordered no festivities and did not write Idris's name in the book: he immediately took a dislike to him.

Murat grew up and began studying in the *medresseh* to become a mullah. When Asan Effendi died, all his property, honor, and money were left to the new mullah, to his son Murat. The second son of the old mullah, Idris, was not beloved by his father, was forgotten by him, but Allah did not forget Idris: he sent him many children and little bread. So Idris lived as a simple peasant, and, oh, how badly he lived! No bread, no sheep, and not even sheep's milk.

Idris went to his wealthy brother, the important Mullah Murat, and took with him a big pitcher, which happened to lie near at hand. Then Idris greeted his brother and said, 'Brother Murat, you are happy and wealthy, and Allah will

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

lengthen your days and the shadow of evil will not fall on you and your children. So give me a little sheep's milk: my children are crying for hunger.'

'What is this?' Murat cried. 'Who am I to go about distributing sheep's milk? How will my own children eat? All you peasants are stupid and lazy. Allah has no love for you. You don't pray to him as you should. That is why Allah sends nothing whatever to the peasants. But I serve him, and I serve Mohammed his Prophet, and Allah does not forget me.'

So Idris took up his pitcher and went his way, and he had a long way to go. Quickly he walked toward his children. The road passed through a forest. Suddenly he heard footsteps as though someone were walking behind him. He turned around and saw a fat old man, with beetling brows and cruel eyes.

'How do you do, old man?' Idris said. 'Who are you?'

'I am your sorrow,' the old man replied. 'Wherever you go, I will go with you. But to-day you are walking so fast that I am all tired out.'

'But why should an old man like you run after me? You'd better jump into the pitcher, and I'll carry you myself.'

'That's right,' Idris's sorrow said and jumped into the pitcher.

Then Idris grabbed his torn sheepskin hat from his head and corked the jug tight so that his sorrow could not jump out. Then he walked home even more rapidly. It was already dark when he opened the gate to his yard.

Idris took a shovel and buried the pitcher with his sorrow in a deep hole under the pear tree.

One fine day sorrow came to the Mullah Murat, not only for him alone but for all mullahs in the Crimea. The people chased them out from the villages, ceased to believe them, and transformed their temples into kindergartens and schools. The Bolshevists arrived and handed over all the mullahs' lands, gardens, and vineyards to the people. They also chased out the Mullah Murat, and he became utterly destitute.

Then Mullah Murat went to his brother Idris to ask him for help. 'Oh, Brother Idris, Allah has forgotten me, and he has forgotten my prayers, so help me, I beg you.'

And Idris received his brother in grand style. Idris's wife made cakes with lamb stuffing and lamb stew all night. The former mullah ate well, and he drank down his dinner with sweet black coffee.

'Tell me,' Murat asked his brother, 'how did you become a master?'

'You helped me in that,' Idris replied. 'For you chased me out of your house with a large empty pitcher in my hands, and, as I was walking through the forest, I found that my sorrow was walking behind me. Then my sorrow jumped into the pitcher, and I buried him under the pear tree in the garden.'

Night came, and everyone went to bed. Mullah Murat crept out into the garden through the window, took a pick, and went to dig up Idris's sorrow from under the pear tree. He made a big hole, found the pitcher, and pulled the cork that prevented the sorrow from coming out. From the pitcher crept out such a thin, worn-out old man that it was pitiful to look at him. He was all skin and bones, and most of the hair from his head and his beard was gone. 'Fou, fou,' Idris's sorrow sighed. 'Thank you, kind man, for freeing me.'

'Yes, I sweated heavily before I got you out,' Murat replied. 'It was pretty hard because I am not used to working with a pick. Now you go to my brother Idris and live with him.'

'No, no, that's nonsense,' the old man answered. 'I'd much rather stay with you, my rescuer, kind Effendi Murat.'

And, no matter what Murat did and no matter what Murat said, sorrow clung to him firmly and clings to him to this day. Mullah Murat became superfluous for all men, and there is nothing for him to do on earth.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

THE SCIENCES AND SOCIETY

MARGARET MEAD is one of those exceptional people—an anthropologist who is both able and willing to bring her subject into functional contact with modern problems. A few years ago, in two studies of the phenomena of adolescence (*Coming of Age in Samoa* and *Growing Up in New Guinea*), she showed us how the so-called 'mystery' of sex, with all its apparently insoluble contradictions and emotional agonies, is fundamentally a 'culture-pattern,' based upon, and in large measure determined by, the prevailing *mores* of a community. A concrete biological difference—that of sex—is a theme upon which every conceivable variation may be played, from the simplest, non-moral acceptance of the Samoans to the most involved, complex, and ethically charged rituals of Western Europe and America.

Now Miss Mead returns to the attack with redoubled vigor and skill. Her latest volume, *Sex and Temperament in Three Primitive Societies* (New York, William Morrow & Co., $3.00), should be required reading for everyone who believes that the social expressions of sex are somehow, and inevitably, 'innate.' The locale is New Guinea, and the subjects of investigation three widely differing tribes: the gentle, non-aggressive mountain Arapesh, whose men share in the labor-pains of their wives; the ferocious head-hunting and cannibalistic Mundugumor people, whose children are trained in self-assertiveness; and the highly artistic Tchambuli.

Concerning herself throughout with a fundamental problem, 'the patterning of sex-behavior from the standpoint of temperament,' Miss Mead discovered in these three geographically related tribes so many and such enormous differences that the whole concept of individual variation (so stressed in our own society) is reduced to a blur of genetic and environmental factors to be isolated only with the greatest difficulty, if at all. Among the Arapesh, who live mostly by a form of truck-gardening, both the men and women have highly developed 'maternal instincts': everything centres around the idea of 'growth,' and the children of both sexes are deliberately brought up to ignore the biological difference between them, except as a physical imperative and in certain ritual ways. The usual classification of man as aggressive and woman as passive has absolutely no meaning for these people: those individuals—Miss Mead aptly terms them 'deviants'—who display violent traits beyond the ordinary controls are 'punished' by being trained to become 'big men,' leaders and heroes in a society that tacitly ostracizes such characters. Also, the refinements of 'property' are quite unknown.

Among the Mundugumor the patterns change—in the very direction outlawed by the Arapesh. Both men and women are supposed to develop a 'wholesome' ferocity and independence, and there are definite correlations between social activities and sex—as, for example, with fishing, which is regarded as essentially feminine. This people has evolved a very peculiar idea as to what constitutes the 'artistic temperament': only those children born with the umbilical cord around their necks are conceded to have within them the divine fire—irrespective of sex. Quarrels and feuds are frequent, usually over women, but the latter are by no means set apart in a kind of Arabian isolation, which could (and usually does) result in a whole system of sexual metaphysics with no foundation in the biological imperatives.

THESE DIFFERENCES in culture-patterns, traced with great skill in three primitive communities, suggest certain comparisons with our own time and society. Miss Mead's studies, carried out for many years in many parts of the

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

world, have brought her to the conclusion that most of the 'traits' that we associate with sex have, in fact, little or no scientific correlation with the terms 'masculine' and 'feminine.' Even 'temperament,' despite its existence as a body of individual peculiarities in this person or that, is so enormously susceptible to external encouragements or inhibitions as to invalidate any ethical system based on it as an 'absolute.' Discussing, from the viewpoint of her experience, some of our 'modern' problems, Miss Mead writes, with penetrating and commendable realism:—

'Only to the impact of the whole of the integrated culture upon the growing child can we lay the formation of the contrasting types. There is no other explanation of race, or diet, or selection that can be adduced to explain them. *We are forced to conclude that human nature is almost unbelievably malleable*, responding accurately and contrastingly to contrasting cultural conditions. The differences between individuals who are members of different cultures, like the differences between individuals within a culture, are almost entirely to be laid to differences in conditioning, especially during early childhood, and the form of the conditioning is culturally determined. Standardized personality differences between the sexes are of this order, cultural creations to which each generation, male and female, is trained to conform.'

Two criticisms of the above. First, the geographic and climatic factors are not given sufficient weight in determining the general type of culture upon which the various types of conditioning necessarily rest. Eskimo and Samoan may be, biologically, the same kind of energy-consuming and work-performing machine, but the performance characteristics of the machine will vary according to the nature and limitations of the external environment. Second, 'differences between individuals within a culture' (the 'deviants') do exist apart from all considerations of environment and conditioning: confusion on this point accounts for Miss Mead's excessive dread of 'standardization' and a tendency (which, if not watched, could easily develop into a sort of social nihilism) to submerge all human differentiation in a Dead Sea of cultural uniformities. The fact that 'conditioning' is ever-present and unremitting in a society striving for homogeneity in its patterns amply proves the extraordinary range of possibilities and aptitudes—and dangers—in human beings. To challenge the many correlations that have been established between human 'traits' and sex is a very wholesome indication that anthropology may be dissociating itself from its evil genius, 'anthro-apologetics.' For this we are grateful to Margaret Mead.

THE STATEMENT—which I have emphasized—about the 'malleability' of human nature is the keynote of Miss Mead's volume, as it is the practical conviction of every great social and educational system in human history, from the *Republic* of Plato and the Society of Jesus down to the regimentation of Fascist Italy and Germany and the collectivism of the Soviet Union. Obviously, this enormous pliancy could not exist, or be utilized, if either of the two sexes were lacking it solely on the basis of a sexual differentiation: the adjectives 'masculine' and 'feminine' as applied to contrasting traits (dominance-submission, courage-fear, pride-humility, etc.) get into trouble as soon as individuals of one sex are discovered exhibiting, often quite naturally, behavior theoretically assigned to the other.

Even this malleability must have its limits—those, particularly, which are set by the physical and the physiological requirements of the human machine. It is, for example, quite probable—although Miss Mead does not raise this point—that in the long run only one type of culture-pattern and social conditioning can be assured of anything like permanence:

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

that which consciously and unremittingly plans for the maximum economic security and political enfranchisement of all the members of the society.

ANOTHER ASPECT of the human temperament—this time as influenced by knowledge rather than by feeling—is discussed by the brilliant Austrian physicist, Erwin Schroedinger, whose original contributions to the theory of wave-mechanics brought him the Nobel prize in 1933. In *Science and the Human Temperament* (New York, W. W. Norton & Co., Inc., $2.50) Professor Schroedinger examines, for the benefit of the layman, some of the ideas of contemporary science, together with their philosophical implications, both for society and for the practicing scientist. The more technically disposed reader will obtain considerable satisfaction from the chapters on probability and chance, indeterminism in physics, conceptual models, wave-mechanics, and on causality. Here, it seems, everything 'flows' like the river of Heraclitus; facts masquerade as fancies, and 'reality' casts a deeper shadow of illusion the closer it approaches the dazzling incandescence of mathematics.

In the chapter, 'Science, Art, and Play,' Schroedinger takes the view (held also by J. W. N. Sullivan) that 'art and science are . . . luxuries like sport and play.' For him the pursuit of exact knowledge originates in certain 'pure' impulses, chiefly that of curiosity, and the various outcomes of this pursuit, whatever their social value, are to be judged primarily by the personal satisfaction they give. This leads him to the view that 'the number of individuals sharing in a given cultural achievement is really irrelevant,' a rather surprising statement to make in a world much of whose chaos is the result of depriving increasing millions of the full fruits of scientific and technical research. Schroedinger, however, wishes to exempt the scientific temperament from the compulsions of practical life—a position difficult to reconcile with his frank admission that the scientist is part and parcel of the world he lives in and subject to 'the influence of certain contemporary trends, which are not peculiar to science at all.'

Analyzing these trends, Schroedinger picks out three as of major importance: (1) simplicity and purposefulness in the arts and crafts, meaning, presumably, that science must get down to brass tacks, both in theory and practice; (2) desire for change and freedom from authority: a meaningless statement unless we know 'change into *what?*' and 'freedom from *what* authority?'; and (3) the idea of relativity and invariance, according to which it becomes impossible to give an unequivocal 'yes' or 'no' answer to certain questions that we ask of nature (not, as many think, to questions we suppose nature to be asking us).

Despite—or perhaps because of—the blend of confusion and clarity in its pages, *Science and the Human Temperament* merits a careful reading from all who are interested in the great problems summed up in its title.

INTERESTING DATA on what Henry Adams has called 'the degradation of democratic dogma' is presented in an article in the June *Scientific Monthly*, entitled, 'The Educational and Occupational Attainments of Our National Rulers.' The author, Dr. H. Dewey Anderson, of the School of Education of Stanford University, set out to find answers to the question, 'Just how representative of the American people are its rulers?' Confining himself to Presidents, Vice-Presidents, and Cabinet officers,—a total of 368 men from 1789 to 1934,—Dr. Anderson carefully analyzed the educational characteristics of this chosen group, its economic status, type of professions represented, social origin, and the degree of 'climbing' from various sets of levels into the eminence finally achieved.

Of the total number of rulers, 236 have

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

been college or university graduates, and only two had no formal schooling whatever. 'Harvard University,' we learn, 'has trained more rulers than any other institution'; and, since the Civil War, 'there has not been a person occupying the White House whose educational attainments were representative of our people.' In respect to occupation, 98.4 per cent of the total came from the merchant, professional, military, or landowner classes; 272 were lawyers, and only six (1.6 per cent of the total) rose from the ranks of skilled or unskilled labor. This leads to the question of social origin: democracy, it will be maintained, permits to all groups an equal opportunity for leadership.

Dr. Anderson demurs. Examining the social position of the families of the rulers he finds that 'rulers whose occupation is the law have been recruited from homes whose fathers are located in the upper levels of occupation.' Virtually 75 per cent of all American rulers 'have been born into homes located in the upper levels, where they have had the advantages of the purchasing power and prestige adhering to such levels . . . In almost every instance the rise of sons has been the result of several factors, which placed the sons in the élite of the gainfully employed.' Of the 13 Presidents in power since 1877, 9 came from the upper economic and social brackets, and only one (Hoover) from a laborer's home.

TO THE argument that the lower economic levels are less capable of achievement, less educable, Dr. Anderson replies —on the basis of intelligence tests: 'When total population numbers are considered, approximately 80 per cent of those who test "very superior" and "superior" intellectually are found among the skilled, semi-skilled, and unskilled laborers, clerical workers, and agricultural hands. Yet their opportunities to secure higher education and to reach higher occupations are relatively few.'

Summarizing his far-from-democratic figures, Dr. Anderson concludes:—

'Our national rulers, whom we might reasonably expect to be fairly representative of our people, are a highly selected group chosen from those who are born into moderately circumstanced or wealthy homes, who receive high educations, and who enter the peak of occupations. The qualifying barriers are insurmountable for all except a very few of our people whom fortune has especially favored. In the interest of a democracy that seeks to use to the utmost the talent of all its citizens a more equitable plan should be devised, which will enable talent, wherever it is born in the social scale, to express itself fully . . .'

COUNTERFEIT MONEY is bad enough —but what about counterfeit goods, paid for with perfectly sound money? Arthur Kallet has some of the answers to this question in his recent book, *Counterfeit—Not Your Money But What It Buys* (New York, Vanguard Press, $1.50). Here, with the aid of numerous effective photographs and a lively style,—the author collaborated on the volume, *100,000,000 Guinea Pigs*,—the 'ultimate consumer' can learn more about adulterated foods, 'weighted' silks, extravagant cosmetics, poisonous drugs, and many other commodities created out of thin air (and very cheap ingredients) with the help of pseudo-science and high-pressure salesmanship. To make matters worse for the manufacturers—and better for the consumer—names are given, and every statement is fully supported by either government findings or the results of inquiry by Consumers' Research and other disinterested bodies. A depressing book for people who still enjoy their Kellogg's Bran for breakfast, like 'all-wool' garments, look for beauty in pretty jars and relief from headache in the innocent-seeming but often dangerous pills known as Pyramidon.

—HAROLD WARD

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

AS OTHERS SEE US

Middleton Murry on America

J. MIDDLETON MURRY, editor of the *Adelphi*, friend of D. H. Lawrence, and husband of Katherine Mansfield, has paid his first visit to the United States at the age of forty-five and gone on the usual lecture tour. Here are some of his impressions of the trip:—

There is no average in the States. Even in the small part of the U. S. A. over which I journeyed—Iowa City the farthest west and Saint Louis the farthest south—I was conscious of four subtly different Americas: the Middle West, the Eastern States, New England, and New York City. I dare not even try to distinguish between them, but I was conscious of psychological differences between them more marked than any to be found between the parts of England. It was borne in upon me that the United States is not homogeneous in the same way that England is. There is nothing surprising in that; but I was surprised by it. I was also excited by it, for when the United States does become homogeneous, as one day it surely will, its potential power and influence will become actual and will be enormous.

The individual Englishman is certainly not a better man than the individual American, but he is adjusted to a different milieu. He belongs to a more crowded, a more compact, a more homogeneous society. His individualism has been mitigated perforce; he has not had sufficient elbow-room to allow him to ignore politics. When we wish to speak impressively, we speak of the influence of the British tradition, but, when we think of the prodigious political corruption that existed in England up to the Reform Bill and was only gradually eradicated thereafter, we have to admit that our precious 'tradition' is of the sort that, if it had not existed, would have had to be invented; and, in fact, was invented. It will be invented in America also.

As things are at present, one feels distinctly embarrassed by the admiration and envy felt and expressed by the American for political England. He very genuinely believes that Great Britain, owing to its political organization, has weathered the economic crisis more quickly and successfully than any other country in the world. I felt, many times, that I was involved in the ungrateful process of debunking an ideal when I reminded them that we had by no means solved the problem of our distressed areas, but I could not help admitting that England had absorbed the shock of the economic crisis much more easily than the United States had done. I modestly suggested that that was in the main due to two factors: first, the readiness with which the English people as a whole submits to what Americans would regard as impossibly high taxation, and, second, to the relative economy of English administration.

But it seemed to me that at the present time American opinion is altogether more sympathetic to England than it has been for many years. Whether or not American opinion is correct in believing that we have withstood the crisis better than any other country, it holds that opinion with a nuance that is as welcome as it is surprising. It takes a sort of family pride in that achievement. One might almost say that one of the results of the mental upheaval produced by the crisis in America has been the quest of something to believe in, and America has chosen England for the purpose. But, of course, the England in which American opinion has chosen to believe is a partly imaginary England—

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

an England that America may hope to become, a country that is instinctively conscious of national unity and that expresses that consciousness practically in a disinterested and incorruptible civil service, a legal system that makes impossible a Hauptmann trial or an organized legal protection of 'public enemies,' and a process of municipal government in which men and women of all classes can honorably and usefully participate.

Indeed, so far as I could gather, Americans at the present moment are very much inclined to believe that, after all, England has achieved more of the reality of political democracy than they have and that we have an administrative stability, based on popular consent, that enables us to ride on an even keel. Certainly, I was conscious of a precariousness in the American situation, which was quite unfamiliar to me in my own country. To take but one example: though I was in the United States only nine weeks, and too occupied with my job and the innumerable minor adjustments necessary in a country so familiar and so strange to indulge in any careful observation, I became strikingly aware that, even in that brief period, the attitude toward President Roosevelt had changed. From being trusted, he was on trial. That is, necessarily, an exaggeration, but the needle had definitely shifted from one side of the balance to the other. And, during the same time, I was aware that Huey Long had sprung from being the wild man of Louisiana to being a solid opponent of the Roosevelt Administration and a serious future candidate for the presidency.

The resultant situation is one in which the more acute observers now appear to have made up their minds (reluctantly and despondently) that our English political development is an unattainable ideal. The U. S. A. will not, as they had hoped, follow the English political pattern. The hope of the nucleus of a strong radical or progressive movement lies for them less in organized industrial labor than in the agrarian-radical movement of the Middle West. But in the meantime, they disconsolately admit, a Huey Long will have his opportunity, and the chances are that he will take it.

I do no more—because I am incompetent to do more—than report the consensus of opinion of 'radicals' who seemed to me to take an objective view of the American situation. To a certain extent I came to share their despondency, but only to a certain extent. For there is something curiously exciting in the American situation—the sense of vast potentiality is so overwhelming. And (though this feeling may be due to the reaction of a shy and timid person astonished at the warmheartedness and immediate generosity of the Middle West) the conviction gradually formed itself within me that the present mighty upheaval of American opinion has produced a frame of mind in which the bond of race and speech between the United States and ourselves counts for more than it has done for many, many years. It seemed to me that there is now a perhaps unique opportunity for a closer understanding between the two great Anglo-Saxon peoples; and by understanding I mean something simple, and human, and deep—the kind of understanding that seeks to share, as far as may be, another man's experience, his hopes, fears, and perplexities. The raw edge of American confidence is gone. They are become as wistful and uncertain as we and perhaps, in their heart of hearts, a good deal humbler.

The Silver Racket

PRESIDENT ROOSEVELT'S silver-buying policy, contemptuously referred to as 'The Silver Racket' by the London *Economist*, appears to have created serious embarrassments for the British in India. Not content with pointing out what England must do to meet the situation, the *Econo-*

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

mist goes on to tell Mr. Roosevelt how to protect British interests in India as efficiently as the recent naval manœuvres in the Pacific have protected British interests in China:—

The price of silver is moving so rapidly that it is already time for both the Indian and British Governments to be considering the best ways of meeting this emergency. The most direct remedy would be to let the rupee appreciate to an exchange rate that would raise the critical price above $1.29¼, but this would need a sterling-rupee rate of practically 2s., and so the remedy would be disastrous in more ways than one. Put shortly, it would inflict on India the evils of a seriously overvalued currency at a time when her internal prices and purchasing power are already extremely low. If sterling itself rose enough to bring the critical price above $1.29¼, with the rupee still at 1s. 6⅛d., the exchange value of the pound would have to exceed $6, which is again impracticable and absurd. Thus the manipulation of the exchanges provides no way of escape, nor, to be perfectly frank, do we see why we should allow our own arrangements to be upset just because the American Administration has been stampeded by interested parties into an unneighborly, extravagant, and economically foolish policy.

Another direct remedy would be for the Indian Government to impose an export duty upon silver. But, on the basis of the above calculations, the duty would have to be over 30 per cent. This is, however, impracticable when the incentive to smuggling and the effect on Indian public opinion are taken into account.

Next there is the possibility of issuing more rupees with a lower silver content in replacement of the existing rupee coinage. Silver coin and bullion held by the Reserve Bank and Treasury is 339 million standard ounces, valued at Rs. 904 millions. This silver is largely held as partial backing to the note circulation of Rs. 1,861 millions. It was estimated in 1926 that the rupee coins in circulation were between Rs. 3,500 and Rs. 4,000 million. This implies that the silver stock in the Indian monetary reserve is sufficient to make it possible to replace the existing silver currency by new rupees of a 25-per-cent silver content.

Replacement on these lines need not prove costly, and, indeed, the Indian Government would obtain a substantial profit through the automatic appreciation, reckoned in rupees, of its silver stocks. The process would then be that holders of the former high-silver-content rupees would be tempted to melt them down and sell the proceeds indirectly to the United States —their place being taken by the new currency. The net result would be the dispersal of all or part of the Indian Government's silver stocks in the form of new currency; and, as by hypothesis the silver contained in the present rupees would have passed into the hands of the American Treasury, it would appear that, ironically enough, the Indian Government could in this way transfer abroad an indefinite quantity of its silver stocks without infringing the letter of the 1933 Agreement.

Such an operation would be cumbersome and inconvenient even if it did not lead to grave distrust and suspicion among the people of India itself. But it is hard to see how the 1933 Agreement can remain in force, for the United States has already broken the spirit of the Agreement.

The truth is that President Roosevelt has been driven by an inchoate mass of vague bi-metallist sentiment, cunningly kept alive by the silver lobby and the senators of the handful of silver-producing states, and by economic advice that must surely have originated in Bedlam into a sad mess. He is bound by law to buy silver until it forms one-quarter of his monetary reserves, regardless of the confusion he creates throughout the world. We cannot believe that he desires to upset the whole world, but in his present impasse we can

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

only see one possible line of escape. That is to use the powers conferred upon him by the Gold-Reserve Act of 1934 to devalue the silver dollar to 59.06 per cent of its present content. This would automatically write up the value of the Treasury's silver stocks, with the result that only about 250 million ounces, instead of over 1,000 million ounces, would be required to establish the 3:1 ratio of gold to silver in the reserves. This smaller quantity could be quietly purchased during the next few years without causing much disturbance, and the bottom would at once be knocked out of the present speculation.

The President may reply that this course is politically impracticable. If so, it means that the American nation has still to learn the rudiments of monetary theory. *Quos deus vult perdere, prius dementat.* The American silver policy has run amok, but the ruin is falling on other heads. The United States therefore cannot blame these other countries if they take every possible action to save themselves from the consequences of these aberrations.

These dire forebodings in a conservative financial organ are answered by this peal of thunder from the Left. The *New Leader*, organ of the Independent Labor Party, analyzes still more frankly the anti-British aspect of Roosevelt's silver policy:—

'There is nothing the New Deal has done so far that could not have been done by an earthquake.' That was the opinion of two American economists last winter. Now, at last, Roosevelt has gone one better.

He has torn the veil away from the supposed harmony of interests between 'our two great Anglo-Saxon nations,' of which our Garvins, Churchills, and Amerys never tire of telling us, and has set the City and the India Office talking of 'a critical situation,' 'preparing for reprisals,' and 'taking emergency measures.'

He has dealt a swiping blow at British commercial interests in China and now threatens to upset completely the monetary and financial stability of India in order to placate a strong group of silver-mine owners and silver speculators in the United States and gain the vote of the silver-producing states.

The story behind this sudden Anglo-American crisis is briefly this: last summer, after the United States interests had used all kinds of trickery and pressure, President Roosevelt gave his assent to an act that gave the Treasury power to buy 1,400 million ounces of silver. Since American silver production is about 50 million ounces per year and that of the rest of the world approximately another 100 millions, the bulk of this silver will have to come from the existing monetary stocks in Mexico, China, and India.

Now the purpose of this ramp is to pay the American silver-producers fat profits on their silver, and the Treasury was empowered to pay up to 5s. 6d. an ounce. The London price was then 1s. 7d. per ounce; last week the price was 2s. 9d., and still soaring.

This means that every holder of quantities of silver in other countries can get a deal more for his holding by selling to the United States Treasury. The countries mainly affected at present are Mexico and China, from whence huge quantities of silver have been rushed to the United States.

As a result the value of the currencies of these countries (which are based on silver) has increased by 25 per cent to 50 per cent. Export trade has slumped, unemployment is leaping up, farmers and producers are losing money, wages are being cut—and, as soon as the price of silver reaches 4s. 8d. per ounce, the same critical position will arise in India. It will then pay to send rupees to the United States, but Indian exports will slump, unemployment increase, and the already intolerable poverty of the Indian peasant will become unbearable.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

So Roosevelt's attempt to satisfy a strong section of his capitalists has brought him into acute conflict with the interests of British imperialism and is threatening an immediate first-rate economic as well as political crisis in India with consequences that can hardly be foreseen.

And, irony of ironies, the hot gospellers of Anglo-American friendship, Amery, Sir Robert Horne, and Boothby, have always hankered for the use of silver as well as gold as a standard for money; now they've got a bit of it and look like losing even the pretense of their cherished friendship.

Here is one of those inherent conflicts of the capitalist system from which the capitalist countries cannot escape, twist and turn as they may. This silver lining looks a great deal worse than the cloud itself.

A German on American Defense

WRITING in the official Nazi daily, *Völkischer Beobachter*, Konrad Kutschera offers the following analysis of the defensive plans of the United States under the Roosevelt Administration:—

A year ago the naval strategy of the United States in the Pacific underwent a complete change when the entire American fleet went back through the Panama Canal from the Atlantic to the Pacific and took its course to Alaska and the Aleutian Islands, where the current manœuvres are being held. Huge flotillas of submarines and land and sea planes were stationed in Dutch Harbor in Alaska. Japan 'parried' this threat to her right flank by directing her naval manœuvres toward Alaska rather than toward Hawaii.

Clearly recognizing the strength of Japanese submarines and cruisers in the Bonin, Marshall, and Caroline Islands, Roosevelt is preparing to give the Philippines their freedom. At the same time, he also abandoned the idea of 'building a bridge' to China and is now concentrating his entire attention on developing America's continental position, which is defended by the lines running from Panama through the Canal Zone to San Diego, the Aleutian Islands, and Hawaii. In this connection America's recovery programme includes the project of a canal across Nicaragua, which is to provide a second line of communication between the east and west coasts of America. The canal is to be built at the narrowest point of Nicaragua, starting in the port of Greytown, following the little San Juan River, and, after cutting through a small stretch of land, it is to open on the Pacific Ocean in the little town of Brito. The cost of the canal is estimated at three-quarters of a billion gold dollars.

In connection with the new American defense appropriations, it is particularly interesting to note the measures that are being taken to make up for the delay in building the navy up to full treaty strength. No less than 140 million dollars have been appropriated to continue building twenty ships that were begun in the fiscal year of 1934–35 and to start twenty-four new ships including an airplane carrier of 45,000 tons, two small cruisers, fifteen destroyers, and three submarines. By laying the keel of a new 10,000-ton cruiser, American superiority in this category is assured. The *Wichita* is to be equipped with nine eight-inch guns. It carries four airplanes and anti-aircraft guns and can make 32½ knots an hour.

As the programme develops, it is to include the building of more air bases in Pearl Harbor, Hawaii, the Canal Zone, Alaska, and the West Indies. A new flying base is being built at Hamilton Field in San Francisco at a cost of a million and a quarter dollars. Hand in hand with these developments on the west coast and the Pacific Ocean bases, the personnel of the navy is being increased by eleven thousand additional enlisted men and twenty per cent more officers.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

THE GUIDE POST
(Continued)

sympathy for Russia is finding wide expression. Roger Auboin gives a clear and factual description of the Soviet currency system and takes rather special pains to call attention to the progress of Soviet economy as a whole.

WITH the imperial air ringing to the clink of glasses raised to the health of King George V, we reproduce two contrasting expressions of the English spirit. The suave Harold Nicolson called his radio broadcast that we have entitled 'What Is an Englishman?' 'As Others See Us' and, after giving various foreign interpretations of the Englishman and various English interpretations of foreigners, draws his own picture of his own countrymen.

RUDYARD KIPLING does not look so far afield as Mr. Nicolson, for his Englishman is always himself in a mirror of his own making. His article is, in reality, a toast that he proposed before the Society of St. George, 'To the English.' When we say he has surpassed himself, we have said all that it is possible to say.

JOAN BEAUCHAMP is the author of the recent book *British Imperialism in India*, which was reviewed by Shapurji Saklatvala, former Member of Parliament, in our April issue. She interprets India from the strictly Communist point of view and brings forward some impressive evidence as she goes along.

PROFESSOR BERNHARD HELLER represents a far more spiritual point of view. His article on 'The Soul of Asia' is based on a new book about Asia by the Hungarian scholar, Berthold Hatvany. It would appear to be more in the tradition of Count Keyserling than of Marx.

ALEJANDRO LERROUX, Premier of Spain and prisoner of Gil Robles's Catholic-Action Party, has been cursed up hill and down dale by the Leftists and Republicans, with whom he worked for almost fifty years before the Revolution of 1931. The Madrid correspondent of the *Völkischer Beobachter* offers a sympathetic study of his career and personality.

NOW and then we drop the air of dignity and high seriousness that is appropriate not only to a ninety-one-year-old publication but to the grievous times in which we live. We are therefore counter-balancing an unusually serious issue with an unusually farcical feature—'Three Kings,' by General Jan Christiaan Smuts. Just as the more emancipated graduates of such institutions of the higher learning as Williams and Princeton may be heard toward their fiftieth year to confess in moments of expansive tolerance, 'Some of my best friends are Jews,' so General Smuts lets down his hair and confesses that some of his best friends are Kings. The fact that this priceless essay appears to have been written in a spirit of complete seriousness adds to the gayety of the occasion.

A FRIEND of T. E. Lawrence gives one of the most penetrating and revealing descriptions of that inscrutable and, if we may dare to say so, over-rated character that we have seen anywhere. 'Sincerely shy and naïvely exhibitionistic' sums up his opinion in a few words.

KONRAD HENLEIN, leader of the German Nazis in Czechoslovakia, is certainly exhibitionistic, probably naïve, and possibly sincere, but he is certainly not shy. His party won more votes than any other in the recent elections, and the obscure gymnastic instructor who heads it has suddenly graduated into the ranks of Europe's leaders.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED